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ESTABLISHED 1887

Palermo Car Bomb Kills An Anti-Mafia Prosecutor Blast Follows Judge's Killing in May

By Alan Cowell
ROME — Less than two months after the Mafia assassinated Italy's most senior prosecutor...



After Storm Clouds Fade, Faldo Charges to British Open Victory
Nick Faldo of England lining up a putt Sunday on his way to winning the British Open title for the third time...

Baker Opens Mideast Visit, Appealing for Compromise

With Settlement Freeze, Secretary Tells Rabin He Sees 'Momentum'
By Thomas L. Friedman
JERUSALEM — Secretary of State James A. Baker III...

Convention Fever, Reality, And the Wind of Change

By Dale Russakoff and Mary Jordan
MONTGOMERYVILLE, Pennsylvania — Mike Patton, who has never voted because he never thought his vote mattered...

In Unprepared Asia, AIDS Hits Hard

By Michael Richardson
SINGAPORE — A few years ago, Asia appeared to be immune from the international AIDS epidemic...

Somalia: Death in Food Lines

By Jane Perlez
BAIDOO, Somalia — In the damp, gray dawn in this remote Somali bush town, 25,000 men, women and children...

Kiosk
New Cabinet in Algiers
ALGIERS (Reuters) — Prime Minister Belaid Abdesslem formed a new 22-member cabinet on Sunday...

Truce in Sarajevo Fails to Take Hold

By John F. Burns
SARAJEVO, Bosnia-Herzegovina — Sporadic mortar and machine-gun fire continued here Sunday night...



Fleeing Bosnians at Villa Opicina, a border station near Trieste, on Sunday.

Russian Intelligentsia Adrift

By Fred Hiatt
MOSCOW — Hounded by the KGB and the Communist Party, the novelist Mikhail Berg for years eked out a meager living...

New Political Force Stirs Ambivalence In Eastern Germany

By Stephen Kinzer
New York Times Service
BERLIN — One night last week, 79-year-old Stefan Heym, one of the most prominent writers in the former East Germany and a co-founder of a group that seeks to give Easterners a stronger political voice, was enjoying dinner at a hotel in Cologne.

Suddenly a young man appeared and began haranguing him. He shouted that the newly formed Committee for Fairness was a "gang of criminals" who had served the former Communist dictatorship and were now plotting a return to power.

Before help could be summoned, the man punched Mr. Heym in the face, inflicting cuts that required hospital treatment, and then fled.

Formation of the Committee for Fairness was announced last week by a group of politicians, writers, artists, clergymen and professors who say the Western-dominated federal government has been inattentive to the needs of Easterners as they try to merge with the West's economy and political system.

Not all reaction to the Committee for Fairness has been violent, but many politicians deplore the idea of a regional political force emerging in Eastern Germany, particularly one that embraces some former Communists. They fear that it could become a platform for demagoguery, dividing the country as it strives toward unity.

Organizers of the committee insist that they are not stirring up ill feeling, but only reflecting the dissatisfaction that many Eastern Germans feel about the reunification process.

In the appeal they issued a week ago, they said that widespread unemployment, sharp increases in rent and other costs, reduced social services and the prospect of losing long-occupied homes had turned Eastern Germans into second-class citizens.

The Committee for Fairness is not yet a political party, although organizers suggested that it might develop into one.

"We have no set program yet," said Gregor Gysi, a co-founder whose background sparked some immediate doubts about the committee. He is an articulate former Communist, perhaps the most eloquent leftist politician in Eastern

Germany, who now heads the Democratic Socialist Party. As a lawyer in East Germany, he represented some dissidents who now believe he gave information about their cases to the repressive secret police known as the Stasi. He has admitted having had contacts with the Stasi but denies betraying any former clients.

The other prominent politician among the committee's 69 co-founders is Peter-Michael Diestel, a self-styled populist who was until recently a leading figure in Chancellor Helmut Kohl's Christian Democratic Union.

Mr. Diestel served as interior minister in the non-Communist

NEWS ANALYSIS

government that governed East Germany in 1990, and later led the Christian Democratic minority in the Brandenburg state legislature. He irritated many colleagues by denouncing inquiries of the Stasi as witch-hunts, and lost more support when it was charged that he had used his political influence to buy a government-owned home at a reduced price. In May he was removed from his leadership post in the Brandenburg legislature.

"When you mix an egocentric politician like Diestel with an ideological agitator like Gysi," one senior official in Bonn reflected, "people are naturally concerned."

A few of the committee's co-founders, such as Gunter Malenda, former president of the rubber-stamp East German parliament, held important positions in the former East Germany. Others, for instance the dramatist Heiner Müller, were independent figures. Still others, such as the rock singer Tamara Danz, were popular figures who were seen as largely nonpolitical until they joined the 1989 protests that led to the collapse of Communist rule.

At the news conference at which the committee issued its appeal, the widely respected Mr. Heym said the Committee for Fairness would become a political party "only if other parties prove so bankrupt that they refuse to change."

"Every interest in Germany has a lobby," he said. "There is a farm lobby, an auto lobby, an arms lobby, a textile lobby. But we, the people, have no lobby."

Aide Seeks Wider German Military Role

BONN — Defense Minister Volker Rühe, under opposition attack for sending a warship to join a Western force patrolling the Yugoslav coast, pressed Bonn's case on Sunday for a wider military role.

He said German troops should join United Nations peacekeeping forces for the first time next year and prepare for international combat missions with allies in the years ahead.

"We want to be able to react the way our democratic European neighbors do," Mr. Rühe told the magazine Der Spiegel in an interview released ahead of publication.

He defended Bonn's decision last week to deploy a German destroyer with Western allies

monitoring UN sanctions against Serbia and Montenegro.

"Without this minimum of participation, we would have isolated ourselves," he said.

The opposition Social Democrats are threatening to challenge the deployment in constitutional court, arguing it violates a constitutional clause long seen as limiting troops to defense of North Atlantic Treaty Organization territory.

The opposition has also called parliament back from vacation for a debate on Wednesday over what it sees as Bonn's gradual move to a wider military role since German unity in 1990.

Mr. Rühe is leading Chancellor Helmut Kohl's drive to win opposition support for a new

military policy allowing German troops to fight abroad alongside the United Nations or NATO.

"We have to be prepared with others to restore international law. Anything else would be a negative position and a step backward alone," he said.

Mr. Kohl has said a constitutional change is needed to permit German forces to go beyond NATO borders, even on peacekeeping tours for the United Nations.

But Bonn is deadlocked with the Social Democrats, whose support is needed for a two-thirds vote in parliament to amend the constitution.

The Social Democrats want any wider military role limited to peacekeeping.



John Smith, the opposition Labor Party's new leader, and his deputy, Margaret Beckett, after victories in party elections in London.

Labor Elects a Scot to Redefine Its Image

By Craig R. Whitney
New York Times Service
LONDON — Still reeling from its election defeat in April, the Labor Party has elected John Smith, 53, a Scottish lawyer and a moderate, as leader, to replace Neil Kinnock and try to convince voters that Labor is ready to govern.

He won 91 percent of the vote, including almost all of the millions of block votes cast by labor unions on behalf of their members.

getting my party back, the party that used to win elections," said John Gilbert, a defense minister when Labor last held power in the 1970s.

Mr. Smith's only rival for the top job, New Zealand-born Bryan Gould, another centrist, was also defeated in a three-way contest for deputy leader, Margaret Beckett, 49, the party's chief spokeswoman for financial affairs, won the deputy post by taking 57 percent of the vote to defeat Mr. Gould and John Prescott.

Mr. Smith's victory Saturday was a triumph for the traditional old guard of the party after a long period of ideological turmoil. "I'm

that redefining the party's broad goals and restating its philosophy will be one of his principal tasks.

The last Labor government, defeated by the Conservatives under Margaret Thatcher in 1979, went down after a winter of crippling strikes.

Mr. Kinnock responded to his first defeat at her hands in 1987 by a sweeping series of changes in policies, purging leftist militants from party ranks, abandoning the unilateral nuclear disarmament pledges he had defended in his Welsh student days, and weakening the power of the unions within the party.

Mr. Smith made clear Saturday

WORLD BRIEFS

Fighting in Kabul Wounds Hundreds

KABUL (Reuters) — Hundreds of people were wounded in Kabul on Sunday as groups battling for supremacy in the Afghan capital poured each other with shells and rockets, the International Committee of the Red Cross said.

The Red Cross said that over the last two days it had treated from 400 to 500 casualties from some of the most intense fighting in the city since guerrillas seized control in April. There were no reliable casualty figures, but according to reports from western Kabul a number of people were killed by rockets that struck their homes.

Most of the fighting appeared to be concentrated in the west of the city, an area controlled by forces of the Islamic Coalition Council of Afghanistan.

Pope Speaks by Radio From Hospital

ROME (NYT) — His voice frail and halting, Pope John Paul II offered thanks on Sunday in a recorded radio broadcast to those who had prayed for him as he underwent surgery for the removal of a large intestinal tumor and his gallbladder five days earlier.

The broadcast from Gemelli Hospital in Rome was the Pope's first public utterance since the operation on Wednesday. It was beamed to the thousands of pilgrims gathered in broiling heat in St. Peter's Square. The Pope, who is still being fed intravenously, paused often in his brief address and sounded weak.

While there was no new medical bulletin on the Pope's condition Sunday, the Vatican secretary of state, Angelo Cardinal Sodano, said that John Paul was "well" and described his condition as "normal for a man who is sick." The Pope singled out for thanks the doctors who treated him, implicitly vindicating them in the face of accusations that they should have located the tumor much earlier.

Singapore Buys U.S.-Built Warplanes

SINGAPORE (Reuters) — Singapore has bought 11 F-16 jet fighters from the United States, state television reported Sunday.

Defense Minister Yeo Ning Hong said one of the planes, manufactured by General Dynamics, would be based initially in the United States for training purposes. Two will replace aircraft lost over the South China Sea last year.

Mr. Yeo said the Singapore Navy had bought missile corvettes and was in the process of acquiring minesweepers. The army is considering replacing or complementing its heavy mortars with 105mm guns, he said.

Mozambique Leader to Meet Rebel

HARARE, Zimbabwe (AFP) — President Joaquim Chissano of Mozambique said Sunday he had agreed to meet with the rebel leader, Afonso Dhlakama, signaling a breakthrough in the country's 16-year civil war, Zimbabwe state radio reported.

Mr. Chissano, speaking after talks here with President Robert Mugabe of Zimbabwe, said a date for the meeting with the leader of the Mozambique National Resistance Movement, or Renamo, was still to be arranged.

It would be the first face-to-face meeting between the two men, whose delegations have been holding peace talks in Rome for the past two years while the fighting has continued. When Mr. Mugabe met Mr. Dhlakama in Botswana two weeks ago, the rebel chief said he was ready for a conditional cease-fire.

Opposition Broadcasts to Burma

OSLO (AP) — On the eve of the third anniversary of the house arrest of the opposition leader Daw Aung San Suu Kyi, Burma's rebel government started daily radio broadcasts Sunday to the southeast Asian nation.

Transmissions are made on a shortwave transmitter in Kvitso, an island off Stavanger in northern Norway. The staff includes three Burmese refugees, said Halvard Kure Kuloy, chairman of the Norwegian Burma Council, an independent support group.

Mr. Kuloy said the first broadcast was a memorial to Daw Aung San Suu Kyi's father, the national hero Aung San, who led his country to independence from Britain. He was assassinated by Burmese rivals in 1947. The anniversary of his death fell on Sunday. Mr. Kuloy said the broadcasts can be heard in Burma and neighboring areas on the shortwave frequency 17840 kHz.

TRAVEL UPDATE

United Airlines will begin daily service later this year between Ontario, California, about 40 miles east of Los Angeles, and Mexico City. (UPI)

More Taiwan residents are traveling abroad because of the sharp appreciation of the country's currency, the New Taiwan dollar. The number of people from Taiwan traveling overseas soared 25.2 percent to a record 2 million in the first six months of this year, the government said. (Reuters)

The airport at Nigeria's new capital, Abuja, will be ready to handle international flights operated by Nigeria Airways in November, officials said. The airport is being upgraded to international standards. (AFP)

Transportation workers in Sofia ended a five-day strike on Sunday after accepting a new pay deal from the government. (Reuters)

This Week's Holidays
Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

- MONDAY: Botswana, Colombia.
- TUESDAY: Belgium, Buthan, Botswana, Guam.
- WEDNESDAY: Swaziland, Yugoslavia.
- THURSDAY: Egypt, Libya, Papua New Guinea.
- FRIDAY: Ecuador, Venezuela.
- SATURDAY: Costa Rica, Cuba, Equatorial Guinea, Puerto Rico, Tunisia.

Sources: J.P. Morgan, Reuters.

The Weather

Region	Today	Tomorrow
North America	Midwestern heat is slated Tuesday from Boston to Washington, D.C., along with the chance for thunderstorms. Tuesday and Wednesday will be mostly dry from Chicago to Toronto. Showers and thundershowers are likely far south.	Thunderstorms will rumble Tuesday from the western Alps to Germany. Showers will extend to England and northern France. The rain will hit the heat, and cool, mainly dry, weather Wednesday. Sunday will heat Spain and Italy.
Europe	Midwestern heat is slated Tuesday from Boston to Washington, D.C., along with the chance for thunderstorms. Tuesday and Wednesday will be mostly dry from Chicago to Toronto. Showers and thundershowers are likely far south.	Thunderstorms will rumble Tuesday from the western Alps to Germany. Showers will extend to England and northern France. The rain will hit the heat, and cool, mainly dry, weather Wednesday. Sunday will heat Spain and Italy.
Asia	Tuesday will be hot and muggy with stray thunderstorms from Singapore to Seoul as well as from Osaka to Tokyo. Downpours may drench Korea as the west. There will be a few showers in stormy Manila and Hong Kong Tuesday and Wednesday.	Tuesday will be hot and muggy with stray thunderstorms from Singapore to Seoul as well as from Osaka to Tokyo. Downpours may drench Korea as the west. There will be a few showers in stormy Manila and Hong Kong Tuesday and Wednesday.
Africa	Algeria 26/27 21/20 26/27 22/14 Cape Town 18/24 8/16 18/24 9/16 Cairo 26/27 19/26 27/26 27/26 Harare 21/22 7/14 27/26 24/15 Lagos 26/28 24/22 26/27 22/15 Nairobi 21/20 17/12 21/20 17/12 Tunis 26/28 21/20 27/26 22/15	Algeria 26/27 21/20 26/27 22/14 Cape Town 18/24 8/16 18/24 9/16 Cairo 26/27 19/26 27/26 27/26 Harare 21/22 7/14 27/26 24/15 Lagos 26/28 24/22 26/27 22/15 Nairobi 21/20 17/12 21/20 17/12 Tunis 26/28 21/20 27/26 22/15
Latin America	Buenos Aires 12/23 8/16 11/22 6/13 Caracas 26/24 21/20 26/27 22/15 Lima 21/22 14/27 21/20 13/25 Mexico City 22/21 14/27 21/20 13/25 Rio de Janeiro 26/24 21/20 26/27 22/15 Santiago 11/22 6/13 11/22 6/13	Buenos Aires 12/23 8/16 11/22 6/13 Caracas 26/24 21/20 26/27 22/15 Lima 21/22 14/27 21/20 13/25 Mexico City 22/21 14/27 21/20 13/25 Rio de Janeiro 26/24 21/20 26/27 22/15 Santiago 11/22 6/13 11/22 6/13
North America	Albuquerque 18/24 12/23 18/24 11/22 Boston 26/28 21/20 26/27 22/15 Dallas 26/28 21/20 26/27 22/15 Denver 26/28 21/20 26/27 22/15 Detroit 26/28 21/20 26/27 22/15 Houston 26/28 21/20 26/27 22/15 Los Angeles 26/28 21/20 26/27 22/15 Miami 26/28 21/20 26/27 22/15 New York 26/28 21/20 26/27 22/15 Phoenix 26/28 21/20 26/27 22/15 Portland 26/28 21/20 26/27 22/15 San Francisco 26/28 21/20 26/27 22/15 Seattle 26/28 21/20 26/27 22/15 Washington 26/28 21/20 26/27 22/15	Albuquerque 18/24 12/23 18/24 11/22 Boston 26/28 21/20 26/27 22/15 Dallas 26/28 21/20 26/27 22/15 Denver 26/28 21/20 26/27 22/15 Detroit 26/28 21/20 26/27 22/15 Houston 26/28 21/20 26/27 22/15 Los Angeles 26/28 21/20 26/27 22/15 Miami 26/28 21/20 26/27 22/15 New York 26/28 21/20 26/27 22/15 Phoenix 26/28 21/20 26/27 22/15 Portland 26/28 21/20 26/27 22/15 San Francisco 26/28 21/20 26/27 22/15 Seattle 26/28 21/20 26/27 22/15 Washington 26/28 21/20 26/27 22/15
Middle East	Beirut 26/28 21/20 26/27 22/15 Damascus 26/28 21/20 26/27 22/15 Jerusalem 26/28 21/20 26/27 22/15 Riyadh 26/28 21/20 26/27 22/15	Beirut 26/28 21/20 26/27 22/15 Damascus 26/28 21/20 26/27 22/15 Jerusalem 26/28 21/20 26/27 22/15 Riyadh 26/28 21/20 26/27 22/15
Oceania	Auckland 14/27 7/14 14/27 7/14 Sydney 26/28 21/20 26/27 22/15	Auckland 14/27 7/14 14/27 7/14 Sydney 26/28 21/20 26/27 22/15

In AIDS Fight, Social Ills Are Part of the Problem

Jonathan Mann, director of the International AIDS Center at Harvard University and chairman of the Eighth International Conference on AIDS, which began Sunday in Amsterdam, discussed prospects for the meeting with Barry James of the International Herald Tribune.

Q. You find a contrast with the United States?
A. Yes. Just look at the difficulty it has in coming to grips with problems like unwanted pregnancies, family planning, sexually transmitted diseases, violence among adolescents, homelessness. There is

in countries and people from community organizations at every level of the conference organization, in addition to the researchers, the scientists and the clinicians. We set out to make a conference that will give equal attention to the scientific and the social issues.

Q. Could you give me a concrete example of the kind of social problem you mentioned?
A. In parts of central and eastern Africa, women who are married and monogamous are becoming infected with HIV. Their risk factor is their powerlessness to control or influence their husband's sexual behavior. Therefore, some local groups are working to change the laws that govern property distribution after divorce. A law that promotes equal rights and status for women will probably do more to prevent HIV infection than increasing the distribution of condoms or brochures. Women know the facts, but if they cannot make them meaningful in their lives, it doesn't do them any good. The role and status of women is critical to HIV prevention. Or, to put it a different way, male-dominated societies are a threat to public health.

MONDAY Q&A

Q. You canceled plans to hold the conference in the United States because the government put restrictions on the entry of people who test positive for HIV, the virus that causes AIDS. Why did you switch to Amsterdam at less than a year's notice?
A. First, precisely because there are no restrictions here on the travel of HIV-infected people. Secondly, because the Dutch AIDS program is certainly one of the best in the world.
Q. Why is this so?
A. Because it is based on the kind of principles that we know work, but which require a lot of tolerance, education and understanding. How a country tackles AIDS is not usually different from how it deals with other health problems. If the Netherlands deals in a nondiscriminatory, open, forthright and humane way with the problem of AIDS, this is not surprising, because it deals with a lot of social problems and health problems in the same way.

no policy on these issues. Thus, it is also symptomatic, but not surprising, that the U.S. National Commission on AIDS has identified a distinct lack of high-level leadership in dealing with this crisis.
Q. What trends do you see in the spread of AIDS and the response to it?
A. What we have seen in the past year or two is a flattening or even a decline in the level of social commitment and the commitment of resources to AIDS at both the national and global level. This comes at a time when the epidemic is intensifying and expanding. It is always important to remind people that the epidemic has not peaked in any country. So while the response is lagging further and further behind, the world's vulnerability to AIDS has actually increased.
Q. In what way does this conference differ from previous ones?
A. We made it much more international and inclusive. For the first time there were people with AIDS, people from develop-

ing countries and people from community organizations at every level of the conference organization, in addition to the researchers, the scientists and the clinicians. We set out to make a conference that will give equal attention to the scientific and the social issues.
Q. What is it going to achieve?
A. It will allow us to see more clearly where we are. It's really essential from time to time to step back and try to see the global picture. Once we have done that, we can identify what works and start the process of developing a new approach to deal with AIDS in the next 10 years.
Q. What have you learned from the past 10 years?
A. We can see much more clearly that the major problems in society that fuel the spread of AIDS are the same as those that underlie other causes of ill health. The fundamental issues are inequity and discrimination. AIDS most affects those people who are discriminated against or marginalized — those who have less access to care, education, jobs, a future with dignity. In the past, we tended to see AIDS as a unique, isolated phenomenon. But if AIDS is only about a virus, then all you would need would be a cure and a vaccine. Once you realize that AIDS is also linked to the major health and social issues of our time, then you have to deal with the social and human issues as well.

Q. You haven't mentioned the possibility of a cure or a vaccine.
A. It would be wonderful if we had a vaccine, but we should not wait for it. That way we can be sure we will be doing the best we can now toward prevention and care. Nevertheless, this is going to be a conference of hope, not of despair. And what is really important about the meeting is what happens when more than 10,000 people go home and catalyze the new ways of looking at and approaching AIDS.

ASIANS: AIDS Impact

(Continued from page 1)
more Asians will be newly infected each year than Africans."
Africa has more than 6.5 million people infected with the AIDS virus, followed by North America and South America, each with more than 1 million cases, according to health organization figures. Western Europe has about 500,000 cases.
In an interview, Carl-Erik Wiberg, regional representative in the Kuala Lumpur office of the United Nations Development Program, said that the AIDS pandemic would have "a tremendous socio-economic impact" on Asia, with major strains on family life, public health services and economies as increasing numbers of victims stopped work and required treatment.
In a survey published in its 1992 development outlook for the region, the Asian Development Bank said that by 2000 the majority of a projected 40 million AIDS virus infections and 10 million adult AIDS cases worldwide would be in Asia.
It said that in some parts of the region, "the population growth rate will either stagnate or fall, especially as the proportion of infected young women rises."
The bank noted that among Asians, AIDS is more common among lower-income groups, which makes education and prevention difficult. "The poor, because of lack of alternative job opportunities, are overrepresented in the commercial sex industry. Intravenous drug users also come mainly from low-income groups with limited education."
The bank said that members of these groups "are also those who are the most ill-equipped to handle the effects of the disease once infected."
Unprotected sex with prostitutes and drug abuse with multiple use of needles are the main causes of the AIDS explosion in Asia.
The disease is spread by "blood, semen and ignorance," said Ishwar Satyanarain Gilada, a doctor who is trying to persuade prostitutes in Bombay, the commercial capital of India, to insist that their clients use condoms. He said that about one-third of the city's 100,000 prostitutes were AIDS carriers and that very few practiced safe sex.
Thailand's Foundation for Children estimates that there are at least 800,000 Thai women working in the country's brothels, massage parlors and sex bars, or as freelance prostitutes.
Phaithoon Manchai, a spokesman for the foundation, which protects the rights of young Thais, said that more than 30,000 of those involved in the sex industry had the AIDS virus. He said that teenage prostitutes were especially vulnerable because they were less able than others to insist that Thai and foreign clients use condoms.

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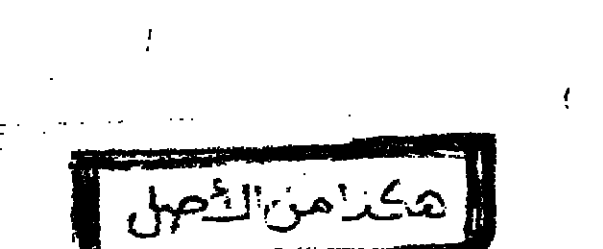
Political Action Urged at AIDS Conclave
By Lawrence K. Altman
New York Times Service
AMSTERDAM — The eighth international conference on AIDS opened here Sunday with a plea from the chairman for the creation of political parties devoted to AIDS and health care, to be patterned after the green parties dedicated to the environment.
One limitation is that the social, religious and political issues that have fueled the spread of the epidemic have not been adequately addressed, Dr. Mann said. Health workers have contributed to the problem by playing a secondary, reactive and minor role in community and national politics, Dr. Mann said. He went on, "Why has no government and no society been called to account for failures in health?"
He asked why "governments tremble when the inflation rate rises" but remain unaffected by health issues.
AIDS is caused by two similar viruses, HIV-1 and HIV-2. The former causes the overwhelming majority of AIDS cases in the world. HIV-2 is limited to West Africa and some other areas of that continent.
From the early 1980s, many AIDS experts have said they suspected that additional viruses would be found as causes of similar diseases. They have likened the problem to hepatitis, a liver infection. In recent years, scientists have discovered several viruses that cause hepatitis.
But despite the efforts of several groups of researchers in the United States and Europe, no new AIDS viruses have been detected. The ef-

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AMSTERDAM
The eighth international conference on AIDS opened here Sunday with a plea from the chairman for the creation of political parties devoted to AIDS and health care, to be patterned after the green parties dedicated to the environment.

SPOR
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Baton Walks a T



Since L.A. Riots, Gang Truce

Scattered Killings Now Are 'Just a Man-to-Man Thing'

By Seth Mydans
New York Times Service

LOS ANGELES — To the astonishment of the police, a cease-fire among the black gangs of Los Angeles appears to be holding, nearly three months after it began at the time of the riots. Rival Crips and Bloods have been parrying together and calling each other "cuz." And although some drive-by shootings have recently been reported, nervous residents say there is a new quality to nights in the inner city, with less frequent sounds of gunfire and police sirens.

The authorities have documented only a handful of killings between members of the 300 black gangs in south-central Los Angeles over the past 11 weeks.

Detective Bob Jackson, a gang expert at the police department, attributed four homicides to rivalry between black gangs in May and June, down from 22 in the same period last year.

In areas patrolled by the Los Angeles County Sheriff's Department there was one black-on-black killing in the two-month period, compared with seven in the same period last year.

"The gang truce is real," said Lamont Williams, a member of the Grape Street Watts gang, as he lounged in the sun this week near the pale purple buildings of the Jordan Downs housing project. "We're always going to have conflicts, but they aren't escalating now. It's just a man-to-man thing now, not a gang thing."

But both the police and some gang members warn that the truce is fragile, given the disorganized nature of the gangs and the continuing atmosphere of frustration and violence in the inner city.

"Time will tell whether or not we are dealing with a real situation where they definitely want to return to society," Mr. Jackson said.

Greg Davis, a longtime gang member who goes by the street name Batman, said: "It's going to be hard to bring it all to an end. A lot of us been doing this for years and don't want it to stop. We're killing each other off and a lot of us don't really care. A lot of these brothers thrill on this violence." He added: "It's hard to trust somebody you've been shooting at and killing for years."

The signs of a truce are all the more extraordinary because there is no centralized structure or leadership among the city's 100,000 gang members.

The "war" that has escalated among the black gangs over the past decade has involved hundreds of street rivalries among many gangs rather than any larger confrontation between those members calling themselves Crips or Bloods.

Hispanic and Asian gangs are still at war among themselves, and the police say black gang members are continuing with robberies, assaults and drug dealing.

"To be quite honest with you, we just don't know why black gangs are not killing each other," said Sergeant Wes McBride, a gang expert with the sheriff's department, noting that cease-fire efforts in the past have broken down almost immediately. "There's no precedent for us to look at. This has never happened before."

Mr. Davis, one of the last surviving founders of the Crips in 1969, said that he had taken part in brief truces in the past and that the difference now is that the killing had risen to unbearable levels.

"It used to be fun," said Mr. Davis, 37. "All you're going to get is beat up, swine up. Tomorrow you'll do better. Now everyone's got guns. It's a one-way trip to death. Either he gets you or you get him."

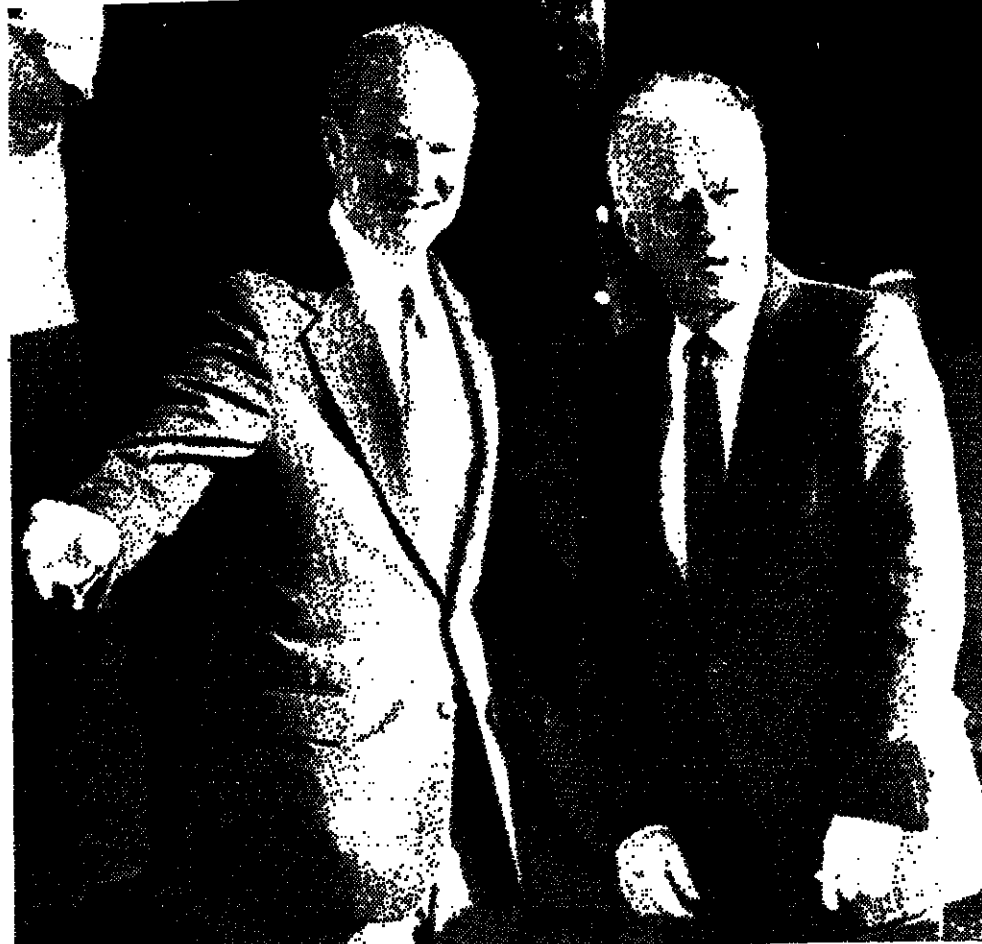
Even before the recent rioting, which began April 29, talk of a cease-fire was spreading among gang members appalled at the fratricidal killings among black men.

The riot, with its crescendo of violence, followed by aggressive law enforcement, appears to have given the truce a push, said Mike Genelin, the gang expert for the district attorney's office.

The truce has allowed some of the young men to gain a sense of identity and purpose through peacemaking and hopes of inclusion in the work force rather than through violence.

Some gang members have appeared on television talk shows, and others are eager to step forward in public to express their grievances now that people seem to be paying attention.

But both the police and many gang members voice doubts that a truce can last if the social causes of the violence are not addressed.



Secretary of State James Baker, left, with Prime Minister Yitzhak Rabin in Jerusalem on Sunday.

ISRAEL: Auspicious First Day for Rabin and Baker

(Continued from page 1) politicians have similarly accused the Rabin government of kowtowing to Washington in hopes of getting the loan guarantees, a charge rejected by Labor officials.

Mr. Baker's eagerness to jumpstart the peace talks between Israel and its Arab neighbors in part is due to the fact that this could be his last shuttle mission as secretary of state. It is now accepted by many on Mr. Baker's staff as inevitable that he will soon be stepping down in order to take over President George Bush's re-election campaign, as he did in 1988 when he resigned as treasury secretary. Mr. Baker did little to dispel that assumption on Sunday.

Asked whether he and President Bush had discussed such a job switch on a recent Wyoming fishing trip, Mr. Baker said that he and Mr. Bush had talked about a "whole lot of things."

"It would not be realistic to think that we did not discuss this election year, and indeed we did," he said.

Pressed on whether or not he would continue as secretary of state, Mr. Baker replied: "I am not going to talk about what I might talk about in confidence with the president of the United States, but right now I am totally focused on this trip, which comes at a very important time in the region."

It is widely expected that Mr. Baker will leave his post sometime before or immediately after the Republican convention in Houston, which begins Aug. 17.

This trip will also take Mr. Baker to Jordan, Syria, Egypt and Saudi Arabia. Although it is focused on reviving the peace talks, it also has another important American domestic political element. Mr. Baker will try to reach an understanding with Mr. Rabin on the terms under which Israel might receive the \$10 billion in housing loan guarantees it has been seeking, to help absorb Russian Jews.

A resolution of that issue is considered critical by Bush administration officials if they are to hold the 27 percent of the American Jewish vote that Mr. Bush garnered in the 1988 presidential election.

The Bush administration told Mr. Shami's government that it could have \$2 billion in loan guarantees for one year, on the condition that it complete only the roughly 5,000 housing units already under way in the occupied West Bank and Gaza Strip. Or, it could have \$10 billion over five years, on the condition that it freeze all settlement construction, including units under way.

Mr. Baker said on his way to Israel that the loan guarantee proposal "remained on the table."

But in a news conference with Mr. Rabin after their first round of talks Sunday night, Mr. Baker said that the new settlement policies "will make a difference with respect to the views and position of the United States, because as you know we have had as our firm policy position for many years the view that settlements do not promote peace."

He added: "I am quite confident that we will be able to make the point with the Arab countries and representatives that we now have a government here that is serious

about limiting settlement activity." Mr. Baker seemed to be laying the groundwork with the Arabs for their accepting a deal between the United States and Israel that would allow Israel to engage in some very limited settlement activity.

SICILY: Bomb Kills Prosecutor

(Continued from page 1) vengeance, he said in an interview published in May.

When he learned his name was on a Mafia hit list, he said, "it did not inspire any particular emotion, as if they were talking about someone else."

"But my feelings were different — fear and anguish — when I was told that they had decided to kill the first judge who presented them with any obstacles."

After the so-called maxi-trial, Mr. Borsellino, 54, born in Sicily, was posted away in 1988 and returned only early this year.

As head of the new, police super-agency proposed by the authorities, but not yet activated, he would have led an elite force drawn from all of Italy's three competing police forces and that was committed solely to fighting the Mafia and its allies.

Italian Mafia experts said they believed the mob's intention was specifically to spread so much fear that the new super-agency would never come into being.

Mr. Borsellino, who was married and had three children, was said to have accumulated an intimate, personal knowledge of the Mafia's doings and personalities, making him a prime target.

"What this assassination means is that the strategy of Cosa Nostra consists in killing those who understand Cosa Nostra," said Pino Arlacchi, a sociologist and author specializing in the Mafia.

Last month, up to 40,000 Sicilians and other Italians staged an unprecedented demonstration in Palermo, reflecting the deep revulsion and anger that has seized many as they contemplate both the Mafia's power and the authorities' inability to curb it.

At the same time, the Italian government decreed new, anti-Mafia measures supposed to give the police and judges broader powers to fight organized crime. But, said a former judge, Francesco Misiani, "this is a demonstration that democracy does not govern."

"What governs is terror and death."

VOTERS: Wind of Change

(Continued from page 1)

middle-class men and women recruited by a national polling firm to watch the Democratic National Convention with two Washington Post reporters. They provide a glimpse of the views of the kinds of voters the Clinton campaign considers essential to victory in November.

Six of the 12 had voted for Ronald Reagan and George Bush in the 1980s. At the outset, half of the 12 were leaning to Mr. Perot and half to Mr. Clinton, but most remained open to voting for Mr. Bush. With Mr. Perot gone, Mr. Clinton became the guarded choice of all but one, who remained on the fence.

They all emphasized that they could change their minds. But for now they have virtually given up on Mr. Bush, have invested their hopes in finding an alternative and are willing to take a risk in the name of change.

They listened intently to Mr. Clinton's speech, but what is moving them toward him is not so much what he said, but their deepening anxieties for their own futures, born of now-routine vicissitudes of middle-class life in the 1990s.

Tracy Stella, 26, a waitress who never voted before "because it seemed like everyone was for Reagan and Bush and I guess I was too," cannot afford health insurance. Ruth Carson, 59, who has voted for every Republican presidential candidate since Eisenhower, feels that although they are earning \$50,000 a year, she and her husband have less money today than in the 1950s when he made \$50 a week.

"At least then we could go to the movies," she said.

Patrick Riley, 36, a welder with two young children and a new home, who did not vote in the last two elections, was laid off indefinitely last week. Richard Alderfer, 29, a car salesman, said his children's public school classes are getting larger and larger. Fatty Earhart, 47, a teacher, worries about her 17-year-old son, who has been unable to find a summer job and recently told her: "You might as well point my room because I'm going to stay here for the rest of my life." Mrs. Earhart, whose husband faces the possibility of a layoff, asked: "All of you who are parents here, how are these kids going to make it? It's scary."

These are the realities that they feel Mr. Bush is ignoring, to the peril of people like themselves. "I voted for Bush," said Jim Thomas, a telephone company worker, "and I think Bush at this point has not seen the reality of this country, and where we're headed. He did a good job as far as helping the rest of the world, but as far as his own country he's let us down."

The former Reagan and Bush supporters in the group were more than willing to vote Democratic this time, a measure of the extent to which the electorate has declared independence from the party system. Many times as they watched the convention, they ignored the politicians talking and listened to each other talk about issues that concerned them.

Only three of them said they considered themselves members of any party — those three are Democrats — but all expressed disdain for people "who just close that curtain and pull that lever," said Dan Gilbert, 38, a truck driver for the public works department. Three of the 12 did not vote in the last two elections, but said they were determined to do so this time because they believe that this could be the first close election in years and that their votes make a difference.

Dr. Aden said: "There is no hope."

An hour earlier, 4-month-old Mahmood Abdul, the first and only child of Kuresh Mohammed, 22, died. His tiny body, first tied in his mother's shawl and then swathed in a white scarf scrounged from somewhere for burial, was lowered into a deep but only foot-long (30 centimeter) grave by a grieving Mrs. Mohammed.

The Red Cross is seeking to arrange safe passage from marauding gangs for food for the 22 Red Cross kitchens, where huge vats of rice, beans, and oil were being stirred on Friday for distribution at noon. The supervisor, Mohammed Betar, said one graveyard of the weak who had died there was already filled.

"Every kitchen has its graveyard," Mr. Betar said.

"This is the second graveyard for this kitchen," he added, pointing to about 20 graves in a field across the road. "Every day, we have people dead at every kitchen. These are the known ones. Others die on the way into town, or in town."

Defying India, Hindus Proceed With Temple

AYODHYA, India — Hard-line Hindus went ahead with building a controversial temple next to a mosque on Sunday, defying Indian authorities who had ordered work on the temple to stop.

Construction of the temple to the god-goddess Rama, at Ayodhya in Uttar Pradesh state, has sparked riots between Muslims and Hindus, resulting in 2,000 deaths in the past three years.

SOMALIA: A Bleak Forecast

(Continued from page 1)

Somalia because the intense fighting made the delivery of food extremely difficult and dangerous.

Since then, continued warfare has driven people from their homes and fields, destroyed the nation's agriculture, and brought desperate hunger and want to the capital as well as to the countryside.

Despite the efforts of the Red Cross, which says it is mounting the biggest operation in its history, the famine has arrived, they say.

The proportions of the disaster stagger even the hardened officials of the Red Cross, an organization that is managing a \$100 million sea, air, and land operation to deliver food to Somalia.

During the Ethiopian famine in 1985, about one million of the country's 40 million people died. The Red Cross director-general, Peter Fuchs, said in a telephone interview from Geneva that Somalia might well suffer more in absolute and proportional numbers.

"Unless we step up our efforts, one-third of the people are in acute danger of disappearing," he said. "Those we are reaching can just survive. They are not out of danger."

One of the factors in this famine is the drought that is affecting a vast swath of eastern Africa, which has threatened Ethiopia, Kenya, and other countries with famine. But none of the other countries also face an ongoing war.

INTELLECTUALS: Russian Elite Cast Adrift

(Continued from page 1) gained its freedom, many say, but at the risk of losing its soul.

Many intellectuals and artists are appalled by the triumph of material values. The joy of freedom of speech has given way to the cacophony of Avon ads and MTV videos. Their children lust after BMWs, and they wonder if this is what they struggled for during the dark years of totalitarianism.

"Is this what capitalism is supposed to be?" asked a teacher who, with her husband, a physicist, is growing potatoes and cucumbers to make it through next winter. "Low-class people with tattoos are getting rich, and my son doesn't understand why he should bother with school."

Many years for the days of moral certainty, when the source of evil was clear and when a few friends around a kitchen table with some bread, a bottle of vodka and a dish of pickles secretly shared views and wickedly clever political jokes.

Certainly many are resentful that, perhaps more than at any other time in the last two centuries, intellectuals are on the sidelines. As Russians scramble for money, survival or escape to the West, ideas and those who sell them suddenly carry little weight.

"Before, it was enough to whisper. Everyone would hear — and people were imprisoned for such whispering," said Mr. Timofeyev, a former political prisoner. "Today, intellectuals are shouting at mass rallies, but nobody is listening."

He called it a healthy change. "It is a new historical situation, and you must find your place in it," he said. "I can tell you that the most vivid prayers of my life were in my prison cell, which is the closest place to God. But that does not mean that people should be put into prisons to make sure they are closer to God."

A Russian intellectual can argue about anything, not least over who can claim a place in the intelligentsia. Sometimes the concept seems wrapped in hokum, snobbery and blood lines, with only one's 20 closest friends and a few grandchildren of respected artists, writers or scientists included in the package.

Mr. Berg said that if the intelligentsia is restricted to those dissidents who never compromised in any way with the Soviet system, it numbers in the hundreds or low thousands; if every university instructor and college graduate is included, there are millions of intellectuals.

Now, after centuries of always being against something, they are expected to stand for something, which has left many of them at a loss. Some, especially "liberal Communists" from Mikhail S. Gorbachev's circle, have clung to visions of "social democracy," warning that "Russians will someday see that capitalism isn't all it's cracked up to be."

"The intelligentsia now has no new program or ideas or counter-proposals," said Nikolai Klimontovich, a playwright and novelist. "And the intelligentsia, which has always been politicized, cannot live without ideology."

For years, Russian emigrants marveled at grocery stores in the United States but bemoaned what they saw as a degradation of ideas and poetry, an inability to form the spiritual friendships that had buoyed them during cold physical and political winters at home.

Now, Mr. Berg wrote recently, it seems as if the entire intelligentsia has emigrated to a new country. "We seek contacts and contracts instead of relationships. Like true emigrants, we are concerned with no one but ourselves, our family and the future of our children. Like emigrants, we are lonely and free."

BOSNIA: Firing Continues Despite Latest Cease-Fire

(Continued from page 1)

stage of Sarajevo, by Serbian superiority in tanks, artillery and rocket-launchers, the weapons' withdrawal would mean the effective end of the Serbian attempt to capture Gorazde.

Similarly, Mr. Panic said that he had agreed with Mr. Iztetbegovic that all heavy weapons in the Sarajevo area, both the Serbian forces

and Bosnian government's, would be placed under UN control beginning Monday.

This would need a provision in the London accord, which called for a similar process to take place all across this nearly independent state.

Similar provisions in previous truce agreements reached for the Sarajevo area have been routinely flouted by both sides, which have held back weapons in undisclosed locations and continued shelling across the siege lines.

Weapons Data Collected
Peacekeepers in Sarajevo said they were collecting data from all sides in Bosnia about their heavy weaponry in anticipation of the cease-fire taking effect, news agencies reported.

The latest accord, which called for a 14-day truce, also stipulated that the warring factions would place heavy weapons, ranging from combat aircraft and tanks to mortars, under UN supervision. It would also allow hundreds of thousands of refugees to return.

Mr. Panic in his talks with Mr. Iztetbegovic discussed possible methods of ensuring that the truce held.

He said that if Mr. Iztetbegovic did not reply soon, the world would know which side wanted to continue the war.

"I want peace in Bosnia to last not for 14 days, but for at least 14 years," reporters who traveled with Mr. Panic from Belgrade quoted him as saying.

Fighting between Serbs, Muslims and Croats in Bosnia began in April after the republic seceded from Yugoslavia. (Reuters, AP)

DEATH NOTICE

The Marquis de Mun regrets to announce the death of his mother.

The Countess Grace de MUN on July 14, 1992. Burial will be held at the Cypress Lawn Cemetery, Colma, California, USA.

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UN Aids Stymied. Quits Iraq. Baghdad Is Firm On Inquiry's Rins

UN Aide, CIA Advice to Bush on Iraqi Loan Program Minimized Bank Scandal

Stymied, Quits Iraq Baghdad Is Firm On Inquiry's Bias

By Elaine Sciolino
New York Times Service

WASHINGTON — The CIA and other intelligence organizations warned President George Bush and his aides early in November 1989 that failure to approve a pending \$1 billion agricultural loan guarantee program to Iraq would create further tensions in American-Iraqi relations, according to administration officials and a classified intelligence document.

Compiled by Our Staff From Dispatches
BAGHDAD — The United Nations official in charge of dismantling Iraq's weapons of mass destruction left Sunday having failed to persuade Baghdad to let his inspectors search the Agriculture Ministry.

As the official, Rolf Ekens, departed, more than 1,000 people shouting slogans against his team and the United States marched past the ministry, where the inspectors have kept vigil since they were first denied access on July 5. The demonstration was the biggest against their presence to date.

After meetings with Mr. Ekens, Iraq said that it would accept searches at the ministry by experts from neutral Security Council members or nonaligned states. Deputy Prime Minister Tariq Aziz and Foreign Minister Ahmed Hassan Samaraei said the UN inspectors were American agents.

"Iraq is ready to invite a number of nuclear, chemical, ballistic and biological experts from nonaligned or neutral members of the Security Council to visit the ministry and search it to assert the truth that there is nothing on the premises, as the special commission claims," the official press agency, INA, quoted Mr. Aziz as saying.

Mr. Ekens arrived Friday to try to persuade Iraq to let the UN inspectors search the ministry, under the terms of the Gulf War cease-fire, for data on ballistic missiles and other arms programs. "I would not say it is absolute stonewall," he said before departing, but "fundamentally, there is no change."

UN officials said that Mr. Ekens carried a warning to Iraqi authorities that they risk allied military intervention unless they provide access to the ministry.

In Washington, a senior Pentagon official said the United States had the necessary air power in the region to back up the UN demands that Iraq allow the inspectors to proceed. The United States has about 250 aircraft in Saudi Arabia and on aircraft carriers in the region, the official said.

(Reuters, NYT)

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investigation for a multibillion-dollar loan fraud. Until that time, the credit program was largely financed through the bank.

But the warning was reportedly in a single paragraph buried deep in the 25-page report and may not have caught the attention of Mr. Bush or senior policymakers who approved the credit-guarantee program a few days later.

The scant attention paid to the scandal in the report, which is a consensus view from U.S. intelligence agencies, is an illustration that the agencies either ignored or did not pursue mounting evidence that Iraq was paying for its weapons programs with loans from the Atlanta bank. The report did not discuss such evidence, for example, or point out that the bank was under investigation.

At the time, some officials of the State and Agriculture departments were also warning their superiors of their suspicions that some loan money guaranteed by the U.S. credit program may have

been diverted to Iraq's weapons projects. In addition, there were a number of intelligence reports, many generated by the Pentagon, on Iraq's extensive procurement network around the world.

The intelligence report largely followed the conventional wisdom of the Bush administration that President Saddam Hussein of Iraq was a leader who could be worked with. It included a lengthy discussion of Iraq's ambitious weapons programs and its complex procurement network, but concluded that Mr. Saddam would focus on rebuilding a country ravaged by eight years of war with Iran and would not attack any of his neighbors in the next two to three years.

The intelligence estimate — the first such document on Iraq in the Bush administration — was the government's most authoritative intelligence report.

Such reports reflect the thinking of the Central Intelligence Agency as well as the intelligence arms of the Pentagon, the State Department, and other agencies.

They are circulated to the president, the national security adviser, and the secretaries of state and defense, among others.

The report's timing was particularly crucial because it was delivered just one month after Mr. Bush signed a directive on Oct. 2 that called for the use of economic and political incentives as a way of moderating Mr. Saddam's behavior. A few days after the report was issued, the Bush administration extended \$500 million in new loan guarantees to Iraq.

Mr. Bush remained personally engaged in the policy in that period.

A senior administration official familiar with intelligence matters said of the report:

"The agency was coming at it from a different direction — from the standpoint of Iraqi procurement networks and the use of loans from the West rather than focusing on the bank itself. Although there were a lot of suspicions that the loans were being used to fund these net-

works, I don't think we had a comprehensive picture of BNL."

The seeming lack of concern about the unfolding bank scandal was also reflected in a secret CIA document of Nov. 6, 1989, on the scandal's repercussions for both Iraq and Italy.

The document, which was disclosed last week by Representative Henry B. Gonzalez, the Texas Democrat and chairman of the House Committee on Banking, Finance, and Urban Affairs, stated that the bank scandal was likely to damage U.S.-Iraqi commercial relations, particularly if the credit program did not proceed. Other officials have since described the document in much fuller detail.

The report makes the assumption that the scandal was a passing phenomenon and a minor irritant in the relationship, saying: "The strain in U.S.-Iraqi political relations caused by the BNL scandal will probably be short-lived, particularly if Baghdad believes additional credits will be forthcoming after the dust of the investigation settles," according to administration officials familiar with the document.

The conclusions are puzzling, particularly because the document also contains a section on Iraq's complex procurement networks and names a number of European-based companies involved that received financing from the bank.

"Baghdad has created complex procurement networks of holding companies in Western Europe to acquire technology for its chemical, biological, nuclear, and ballistic missile development programs," the report concluded, citing evidence that several European companies connected with the Condor missile project received loans from the Atlanta bank.

Mr. Gonzalez asserted in a speech from the House floor that the CIA report "indicates that several of the BNL-financed front companies in the network were secretly procuring technology for Iraq's weapons programs, but that policymakers ignored the information."

AMERICAN TOPICS

Diagnosing Disease By Breath Analysis

Diagnosing certain liver and kidney diseases may soon be much easier for both doctors and patients because of a breath analyzer being developed at Battelle Memorial Institute, a nonprofit research group in Columbus, Ohio. The New York Times reports.

With these diseases, specific chemicals are found in the breath. The device measures these components.

For the patient, the device may eliminate the need for extensive blood tests for some ailments. For the doctor, one of the attractions is that the device yields almost instant readings.

In conventional breath analyzers, like those used for sobriety tests, exhalations are collected in a canister and then taken to a lab for analysis, a process that risks contamination as well as delay.

The Battelle breath analyzer uses a mass spectrometer, a device that separates particles by weight. The patient breathes into the analyzer for two to five minutes. Within the next two minutes, three things happen: The breath particles are ionized by being passed through an electrical field; then they are bombarded with argon gas, which causes them to fall apart into predict-

able patterns; then the chemicals gather in groups, which can be monitored by the doctor.

Short Takes

About one out of eight people is good enough to be classified a saint, according to a new book, "The Saints Among Us," by George Gallup, the poll-taker, and Timothy Jones, associate editor of Christianity Today, an evangelical monthly. They asked 1,052 people such questions as how strongly they feel about prayer and whether they are willing to help people in need and forgive those who wrong them. Most of the book consists of follow-up interviews with the people who scored high. Most of them were poor nonwhite women who grew up in the South. They are hardly ethereal, the authors write, but "seem planted firmly in the gritty substance of everyday life."

How do you make a film starting a 2-year-old, who is not interested in picking up cues and hopeless at memorizing his lines? Bribes, coaxing and threats don't work, said Randal Kleiser, who is directing "Honey, I Blew Up the Kid," about a case of accidentally enlarging one's offspring to giant size, for Disney. It is a sequel to the ungrammatically titled 1989 film, "Honey, I Shrunk the Kids," and again stars Rick Moranis. The solution is to turn the camera on the child and let him say and do what he wants to, then incorporate that into the script. "We had a scene where Rick is supposed to sing a lullaby to get the kid to sleep," Mr. Kleiser said. "They start to argue about which song

to sing, because the kid wants to hear another song. That scene is real — the kid's not acting."

About People

Charles Bukowski moved away from the Kennedy Stadium neighborhood in Washington because he couldn't stand the football crowds when the Washington Redskins were playing. Parking on game days was nearly impossible, he said, crowds were noisy and he was tired of picking up beer bottles in his front yard. Mr. Bukowski, an urban planner for the American Institute of Architects, relocated in suburban Arlington, Virginia, which now turns out to be near the site of a proposed new stadium for the Redskins. He was "absolutely paralyzed" on hearing the news, he said. The Washington Post compared his plight to that of Wilmer McLean, a Civil War-era farmer who fled Manassas, Virginia, after the war's first major battle was fought there and moved to Appomattox Court House. At the end of the war Lee surrendered to Grant in McLean's living room.

The Reverend Edward Muller, pastor of St. Edward Roman Catholic Church in Providence, Rhode Island, contending that the constitutional separation of church and state cuts both ways, said that in retaliation for the recent U.S. Supreme Court ban on prayers at graduation exercises he would not allow flags, patriotic songs or prayers for public officials at his church.

Arthur Higbee

Hillard Huntington, Physicist, Dies at 81

TROY, New York — Hillard Bell Huntington, 81, a physicist whose early research was important in the development of integrated circuits and computer chips, died Friday after a long fight with cancer.

Mr. Huntington, a professor at Rensselaer Polytechnic Institute in Troy, did pioneering research on crystals and the movement of atoms in metal that helped develop the field of solid-state physics.

Mr. Huntington's research proved that movement of atoms caused repeated failure in circuits made of microscopically thin metal wire. The phenomenon was called electromigration and was a fundamental discovery in integrated electronics.

Mollie Parnis, Fashion Designer
NEW YORK (NYT) — Mollie Parnis, the fashion designer whose Park Avenue apartment was as well

known to actors, journalists and Democrats as her Seventh Avenue show room was to the women who bought her dresses, died here on Saturday. She was in her early 90s, but had long refused to disclose her exact age. She died of congestive heart failure.

Dresses she designed were worn by first ladies from Mamie Eisenhower to Betty Ford. Lady Bird Johnson became a close friend. Through the Mollie Parnis Livingston Foundation of New York,

Miss Parnis gave away at least \$1.5 million. An early project was giving "Dress Up Your Neighborhood" prizes, which helped create parks and green areas in decaying New York neighborhoods. It was patterned on a similar prize she had created in Jerusalem.

Dr. Joseph F. Boyle, 67, an internist who specialized in diseases of the chest and was a president of the American Medical Association, died of cancer Thursday in Williamsburg, Virginia.

North Korea Envoy in South For Talks on Economic Ties

PANMUNJOM, Korea — North Korea's deputy prime minister, Kim Tal Hyon, arrived in South Korea on Sunday expressing hope for economic cooperation.

But he gave little sign of wanting to bridge the political and ideological gap between the two nations during the highest-level economic exchange between Seoul and Pyongyang since the peninsula was divided in 1945.

"We begin this trip to the South in a bid to contribute to the re-establishment of our severed national economic links and the reunification of our country," Mr. Kim said at this heavily fortified border village.

"Without doubt, our visit will contribute to realizing economic cooperation and exchange, setting the stage to improve our nation's economy," he said.

President Kim Il Sung stressed that economics, not politics, was the only item on his weeklong agenda.

"The economic issue will be our priority this time. We will not discuss any other issues," Mr. Kim said.

South Korean officials say his visit will help improve inter-Korean relations, which have been bogged down by a bitter dispute over the North's nuclear development program.

A South Korean government spokesman said last week that Mr. Kim was likely to meet President Roh Tae Woo, and that the nuclear issue would "automatically" be on the agenda in his official talks.

Asked if he carried a message from Kim Il Sung to Mr. Roh, the deputy prime minister said: "At the moment, it is not on the itinerary to meet President Roh. However, if it is fixed, I will announce details."

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INTERNATIONAL Herald Tribune

Comeback for Clinton

Impossible Dreams

Two roars, one of enthusiasm and one of pain, shook the political rafters last week. They revived one of the most deeply rooted images of American culture — the underdog who persists against vast odds, the Minute Man vs. the Redcoats, the dreamer who achieves the impossible dream. The two roars gave Americans a lesson in political character.

The happy roar in Madison Square Garden was echoed by Democrats nationally. Critics find flaws in Bill Clinton's character, but when the Arkansas governor accepted the nomination on Thursday his triumph demonstrated the virtue, especially in fickle American politics, of persistence. All those cheering people have found a leader, an outlet for their energies and convictions. Whether he wins or not, democracy is served.

The surly roar came from Texas, where Ross Perot, with oddly brisk good cheer, checked out of the race. His abrupt departure made millions feel angry, betrayed and bereft. To leave them leaderless, so suddenly, sours democracy.

Mr. Clinton is the Comeback Kid, Governor Mario Cuomo of New York said in his rousing nominating speech, recalling the compliment Mr. Clinton gave himself after surviving weeks of attack for supposed philandering and draft evasion. In truth, the Clinton movie now playing might better be called "The Comeback Kid IV." After struggling to a credible second-place finish in New Hampshire, Mr. Clinton faced another Waterloo in the South, notably Georgia. New York became a third do-or-die encounter, when Jerry Brown caught fire and so did tabloid television. And then, even after clinching the nomination in California, he was faced with a new danger — of being marginalized.

A graph in USA Today showed a long red bar representing 190 likely electoral votes for President George Bush. A sizeable red bar showed 128 for the then surging Ross Perot. A red sliver showed six, from Arkansas, for Mr. Clinton.

Democrats Rebound

There were two large, welcome, clarifying developments last week in this surprising 1992 presidential campaign. One was the withdrawal of Ross Perot. Our sense throughout had been that his was a kind of fantasy candidacy, less a choice on the part of his followers than a way of postponing a set of choices that they would ultimately have to make. He may have done them more favor than they currently believe in hastening the process.

The second was the effort by Bill Clinton and his adherents to reposition the Democratic Party in the campaign — not entirely, not as much as in the midst of all the speculating either they or their opponents may have suggested, but nonetheless distinctly. Along with that and as part of it came the candidate's own emergence from the Okefenokee of the primary process, not just the bump in the polls but the shifts in stature and perspective that always seem to accrue and occur as the suitor becomes the groom, the candidate the nominee.

A lot of busy theorizing was done in the hours after Mr. Perot's announcement about which party it might have helped the most. Had the Democrats been thrown back into their old defensive posture in the South? Did Mr. Perot's withdrawal trump and take the edge off Governor Clinton's choice of fellow Southerner Albert Gore as running mate? Were the Democrats, on the other hand, helped by having a clear field on the West Coast? And so on endlessly. But at some level the Democrats have to be helped more than by not having to split the anti-vote. To say otherwise is to say that they are not competing for first or second place across much of the political landscape, but are stuck in third; that only with a stalking horse can they win. Maybe that is true, but we don't think so. If in one sense Mr. Perot's withdrawal created uncertainty rather than clarity (which way will his supporters now jump?), that was

Mr. Clinton persisted, following his credo: "The main thing is never quit, never quit, never quit." Now, riding a strong post-convention bounce, he leads George Bush by more than 20 poll points. It won't last, any more than Mr. Bush's 90 percent popularity of last summer. But it says something about tenacity, about political character.

In a healthy democracy, people find ways to express themselves, if not through standard outlets then by creating heroes and quickly raising them to their shoulders. When such urges are frustrated, as by Mr. Perot's withdrawal, the inevitable result is political heartburn.

Mr. Perot effectively inherited an army of people with serious grievances about the system who were looking for someone to fix it. He deserves credit for becoming that someone. He deserves zero credit, however, for taking so long to discover that running for national office is much harder than running a company, and for jumping ship when the waves hit.

He left behind a large and angry crew. How large? When he announced his departure, he had already collected an astounding 3,640,000 signatures in 31 states. How angry? Hard to tell. Some say they still believe in Mr. Perot and will go on collecting signatures. Many, however, feel betrayed. After all, Mr. Perot was fond of quoting Winston Churchill: "Never give in. Never give in. Never, never, never, never." Mr. Perot's later pledge to help his army take on an ill-defined effort to pressure the two main political parties toward desirable policies is a poor substitute for real leadership. Such campaigns cannot amount to much without a leader. This sounds more like an effort to exculpate himself. It would have better served his followers, and the country, had he not quit so soon or so suddenly.

Now, instead of giving new meaning to leadership, he risks giving meaning instead to a new word: PEROT (puh-ro) vi. 1. to give up, esp. when faced with opposition, after rousing millions to a popular cause. ANT. see PERKIST.

—THE NEW YORK TIMES.

likely to happen sooner or later anyway. Sooner is better.

The Democrats seem to us to have an advantage as well in the recipe of issues in this campaign. The Republicans, in a way, are hoist by their own success in the Cold War, or the success that occurred on their watch. The president wants credit for a victory that cost him an important issue, just as the national progress in the 1960s and thereafter in combating racial discrimination and poverty took the edge off those powerful issues for the Democrats. Last time around, Michael Dukakis felt it necessary to pose in a tank. This time around, George Bush will likely be trying to pose in front of a factory gate, and may find it just as awkward. The economy is the number one issue. A subtler number two may be some of the strain put on the society more generally by the ideological inconsistency of the right in the last 12 years — again, the reciprocal of what happened to the Democrats when some of their own excesses offended and/or exhausted the society in the 1960s and '70s. We'll see.

Mr. Clinton tried for a balance during convention week between the views of the left and the center of his party. He succeeded in achieving it in part by blurring some of the choices he would have to make if elected. A lot of that blurring is fiscal, as even some of the Democrats who would take the lead in importuning a Democratic president for funds he would not have will concede. The Republicans can be counted on to point out the chinks and weaknesses in the Democratic positions — and non-positions — just as the Democrats did last week to them. The mettle of the candidates will be similarly tested.

Again, we'll see. Bill Clinton is a newcomer to the ultimate hardball of presidential politics, but he has shown himself to be pretty tough. The Democrats seem to us to be in better shape heading into the ring than they have been for a long time.

—THE WASHINGTON POST.

Havel May Be Back

The resignation of Vaclav Havel as president comes as a distressing anticlimax to the exuberant hopes inspired by the peaceful uprising that freed Czechoslovakia in 1989.

Mr. Havel announced his decision minutes after Slovakia's regional parliament proclaimed the sovereignty of the eastern republic, a first big step to eventual independence. He could have stayed on until his term expires in October, but when Slovaks blocked his re-election in the Federal Assembly, the president concluded that he had lost the trust of too many of them. His parting words on Friday were wholly in character: "I do not see this loss as an expression of dislike of me as a person, but as an expression of disagreement with the values I stand for."

In a mainly ceremonial pose, he preached the need for tolerance and civility, reconciliation between Czechs and Slovaks, and European unity. He dared deplore past mistreatment of an ethnic German minority, and he vainly condemned witch-hunting purges of former Communists. With his

playwright's sense of humor, he made his former house-arrest watchdogs into presidential bodyguards. "Our country, if that is what we want," he said in his first address as president, "can now permanently radiate love, understanding, the power of spirit and ideas." It is quite possible that he will return as president of a decoupled Czech Republic, an office that does not now exist. Certainly his voice will be needed as Slovakia's 5 million people, 20 percent of them ethnic minorities, advance to full independence.

Unlike Yugoslavia, the Czechs and Slovaks have agreed to a peaceful divorce, but arguments have yet to begin on dividing common property. Adding further complications are the personal and political differences between the pro-capitalist Czech prime minister, Vaclav Klaus, and the former Communist (and former pugilist) Vladimir Meciar, the Slovak prime minister. It is far from clear that either history or these two kindred peoples have finished benefiting from the singular gifts of Vaclav Havel.

—THE NEW YORK TIMES.



The Janitor

The Atlantic Hawser Is Fraying From Both Sides

By Stephen S. Rosenfeld

WASHINGTON — The first political season since the end of the Cold War finds the United States loosening the prime security connection — Europe — that the departing epoch made firm and seemingly permanent. But Europe, without appearing to be entirely aware of it, is loosening its connection to the United States as well.

In Washington, there is talk of turning America's international focus sharply, not gradually, from Europe to Asia, chiefly on economic grounds. It is loose talk, because Europe is an economic powerhouse, too, but some of it has come from someone who was until Thursday a presidential contender, Ross Perot.

At the same time, Mr. Perot has been ready to further strain Atlantic ties by peremptorily demanding that American allies in Europe finance a defense load borne for more than 40 years by the United States.

It is not just the iconoclastic Texas billionaire who has ideas about reshaping the familiar Atlantic landscape. At the Democratic National Convention, the come-home theme sounded strong, and a number of office-seekers, California's Barbara Boxer among them, could be heard dismissing the Atlantic link and insisting that Americans retrench.

The Democratic-controlled House is on record favoring a cut of American troop strength in Europe (once 310,000, now 245,000) beyond the 150,000 preemptively proposed by the Bush administration, to 100,000. The Clinton team leans to an even deeper cut that raises the question of whether the residual American force would then be for show or for real.

Perhaps with the expiration of the Soviet threat, it is enough to have a (reinforceable) force for political show. But any such overhaul of Western strategy had best come about by degrees and by means of consultation among allies, not simply by American impatience and fiat.

One effort from the European side to fill the looming gap is the proposed French-German army corps, which would operate outside the American-dominated NATO. Unfortunately, official Washington has chosen to take the proposal not as a possible solution to a new-age security problem but as an affront to America's pride. This reaction in itself contributes to the sense of Atlantic widening.

It is not just for considerations of cost, risk and status that Americans are recalibrating their taste for keeping troops in Europe. The new element is Yugoslavia. Too little attention has been paid to the impact on

American opinion of Europe's hesitating to deal with the still unfolding crisis there. I sense a developing view that if the Europeans cannot bear themselves more vigorously to care for what they regard as one of their own, then American obligations are correspondingly reduced.

Americans are aware that it was the Bush administration — in the compassionate interlude before the president made his gratuitous reference to Yugoslavia as a mere "hiccup" — that finally spurred the Europeans to get into the hard business of delivering relief. A current of disappointment, even scorn, regarding the European performance is running, and it is a question whether Europe has adequately picked up on it.

Meanwhile, Europeans go on taking it for granted that the United States will continue to see its own interest in accepting certain heavy-duty security requirements, like deterring any new threat arising from Russia. I do not say that Yugoslavia has cost Europe this measure of long-range patronage. But it is troublesome that Europeans should sometimes speak as though their own policy were disconnected from what they expect the United States to do.

At a moment when geopolitical eruptions and home priorities are forcing Americans to reconsider their whole tenure and purpose as Europe's protector, Europeans ought to be paying more attention to the sources of the American debate.

In short, a visible and expanding mark of isolationism is setting upon the Atlantic scene. It emanates not just from the United States, which is where almost everybody tends to look for it, but also from Europe itself. Yugoslavia, as the first great post-Cold War crisis in Europe, has revealed a sobering deficit of common feeling and prudent concern among countries long accustomed to relying on an outsider, the United States, for their own stability and peace of mind.

I do not think that on either side of the Atlantic this budding isolationism needs to become full-blown. There is time and political space to think harder about the changes in attitude and policy that new conditions require. But the job has to be done.

The Washington Post.

A Mere 141 Words for Foreign Affairs

By Leslie H. Gelb

NEW YORK — Of the 4,250 words in Bill Clinton's acceptance speech, a grand total of 141 were devoted to international concerns. Those who nodded off briefly at the 40-minute mark of the 54-minute oratorical stew might have got no taste at all of a potential commander in chief.

It is hard to avoid drawing two conclusions from this horrendous slighting of foreign affairs: The presidential nominee believes that the subject hardly matters to Americans, and he seems to be running away from this unfamiliar, international arena for fear of blundering. He should re-examine both judgments.

First, Americans are far more worried about domestic than about foreign affairs, and should be. But they have to be reassured that Mr. Clinton understands the world sufficiently to be entrusted with their security.

Americans have almost always treated foreign policy as a metaphor for leadership. President George Bush knows this full well, and will push his advantages with the voters here. If Mr. Clinton does not take the time to define himself on world politics, Mr. Bush will do the job for him.

International issues were unimportant to the Democratic primaries, and this may have lulled Mr. Clinton and his advisers into thinking that the general election will be no different. But neither the Arkansas governor nor any of his closest aides have ever worked at the center of a national campaign. They soon will discover that Mr. Bush and the press will not

leave the world alone. Mr. Clinton's own antipathy about slipping on a foreign banana peel suggests that deep down he grasps this.

Second, Mr. Clinton's limited background on international issues ought to make him wary. But, based on the little he has said thus far, he should have the confidence to say more. Most of the 141 words he uttered on Thursday showed good instincts. "I know well that the world needs a strong America," he said, "but we have learned that strength begins at home." An excellent premise that seems to elude Mr. Bush.

"The end of the Cold War permits us to reduce defense spending while still maintaining the strongest defense in the world." Fine again. He also rightly stressed using force "when necessary," preserving the "common environment" and promoting global democracy and growth. The two speeches in which he elaborated on these themes were both of high quality. But they left a lot of tough questions to answer and holes to fill.

Mr. Clinton's shamelessly danced around free trade issues. Sometimes he backs free trade; sometimes "fair trade," a code for protectionism. In his acceptance speech, he spoke of "exporting products, not jobs." That code again. To Mr. Bush's great credit, he champions free trade to create jobs. Mr. Clinton's ambivalence here is particularly distressing because of the centrality he attaches to econom-

ics in world politics. He even talks of money-mighty Japan as America's most important partner. If global economics is so crucial, and it is, he ought to give at least one speech saying what he has in mind.

Nor has he been much more specific about how he intends to cut military spending and keep America the world's strongest power. He says he would reduce the \$300 billion defense budget by \$100 billion, but his proposed cuts do not add up to that total. This is something that Al Gore, the vice presidential candidate, might have tackled on Thursday; he is an expert. But he, too, skirted national security in his acceptance speech. Of his 2,565 words, a mere 120 dealt directly with world politics.

Mr. Gore's main foreign offering was rather apocalyptic: "The task of saving the earth's environment must and will become the central organizing principle of the post-Cold War world." What on earth does that mean, and how on earth would a Clinton-Gore administration pay that bill?

The dynamic duo will hurt their campaign if they focus almost exclusively on domestic affairs and virtually brush off international matters. Mr. Bush and the press will knock their heads off. It may be hard for a team now running more than 20 points ahead in some polls to see this punch coming, but it will come, and land. Mr. Clinton's and Mr. Gore's scant words about revolutionizing national security policy will not protect them, or reassure Americans.

The New York Times.

The Japanese Need New Politics for the Nineties

By Yoshio Terasawa

TOKYO — For more than 20 years, I have periodically come home to Japan from my job in America and each time I could not help thinking that something was wrong with my country. I wondered why ordinary Japanese, whose devotion to work was the primary factor in making Japan a world economic superpower, subject themselves to such miserable living conditions.

The truth is, people live much better in the United States. An American friend who recently visited here observed the way we live and asked with genuine amazement, "Why isn't there a revolt in Japan?"

I believe a revolution can occur — and I have decided to become part of it. I have left Washington to run in the July 26 election for the upper house of the Diet as a candidate from a newly formed political party.

I want to change the conditions in which we live — not only the physical conditions of our pressured, production-oriented lives, but the conditions of our psyches as well.

Japan undoubtedly has come a long way since my childhood, when we were all poor — but at least ate dinner with our fathers. We now are one of the world's richest countries in terms of GNP, producing the highest quality goods with utmost efficiency. But what is wealth if you can't enjoy it? Tokyo residents must drive hours in slow traffic to see trees and birds, while a mere half-hour from downtown Washington are beautiful suburbs full of charming houses set among tall trees — views seen only in the most exclusive resort communities in Japan. While residents of these Washington suburbs are not all that

wealthy — perhaps earning about 10 million yen (about \$80,000) a year — Japanese with that income might never be able to own even a tiny condominium, much less a house.

In the supermarket, Tokyoites pay 235 yen for a kilogram of bananas, compared with 175 yen in Washington; 511 yen for a kilo of oranges versus 195 yen in the United States; 383 yen per 100 grams of beef, compared with 130 yen there. A family dinner at an ordinary restaurant would cost several 10,000 yen bills out of papa's wallet, while an American family of four can get by for a month on \$500 worth of groceries.

And even if one could afford it, there is no family life left in Japan anymore. These days, even the children don't come home till after 10 P.M. — they have to attend cram schools to prepare for entrance exams. This is because only one university counts here — the University of Tokyo, known as Todai. Children begin preparing to climb this Mount Fuji of all schools even before kindergarten, because a Todai diploma is a passport to a good lifetime career.

In 60 years of living, I never once wanted to be a politician. In fact, I particularly despise the Japanese breed of them. During my four years at the World Bank's Multilateral Investment Guarantee Agency and in 34 years at Nomura Securities before that, almost half of them in New York, I often felt ashamed of my country. But I never thought there was anything I, as an expatriate Japanese citizen, could do about it. I was content with a reasonably

comfortable life for me and my family. But all that changed when I recently met Morihiko Hosokawa, an ex-member of the Diet and former governor of Kumamoto Prefecture.

He had just launched the Japan New Party, and he asked me to run this month. A 54-year-old descendant of the Kumamoto daimyo, or feudal lord, Mr. Hosokawa convinced me that Japan desperately needs a new type of leadership.

The conventional parties, he said, have lost their ability to respond to the changes that have caught up with Japan and the world in the last few years. There is a ground swell of discontent among Japan's "silent majority," crying out for a new political group that will truly represent the views of ordinary Japanese, not the special interests and status quo.

If elected to an at-large seat, I will work hard to mend Japan's relationship with the United States, which has deteriorated to the lowest point I can remember. Japan must quit hiding behind the United States and start staying what it thinks about international issues, and it needs to open its domestic market to foreign goods and fulfill its responsibilities as the second-richest country in the world.

I would also like to overhaul the Japanese education system in order to nurture a generation of Japanese who are true cosmopolitans. It is absurd to sacrifice childhood solely for the prestige of a Todai degree. We must put less emphasis on conformity and uniformity, and more on creativity and freedom of choice. But most importantly, I would like

to take Japanese politics away from the traditional party politicians, who are in bed with the big corporations and interest groups, and put our politics back in the hands of consumers and ordinary citizens.

The writer recently resigned as executive vice president of the World Bank's Multilateral Investment Guarantee Agency. This comment has been adapted from a longer article in The Washington Post.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: Cholera Raging ST. PETERSBURG — The cholera epidemic continues, on the whole, to grow in force and extent. Today's [July 19] official report shows 1,781 new cases and 1,300 deaths registered. At Baku there were 255 fresh cases and 277 deaths. If there is any diminution of mortality here, it is certainly more than counterbalanced by the great increase at Astrakhan since the epidemic appeared there, and by its wide and rapid extension during the last fortnight. In Gibraltar, seven days' quarantine has been ordered for all vessels arriving from the Black Sea or the Sea of Azov.

1917: Reichstag Victory BERLIN — The Reichstag yesterday [July 19] scored a brilliant victory over Hindenburg and the Pan-German party by obtaining the vote of the Majority peace resolution amid scenes of wild enthusiasm. After the Chancellor delivered a speech in

Now Bush Can Aim At Clinton

By David S. Broder

NEW YORK — Ross Perot's sudden decision to dump his independent campaign showed that one of the supposed tough guys of American business has a quitter streak. He dashed the hopes and trust of thousands of committed volunteers and millions of potential supporters, which in this time of rampant cynicism is damn near unforgivable. The men and women at the card tables, gathering signatures to place Mr. Perot on the ballot in their states, were the most enthusiastic, mission-driven people who have come into politics in years. They deserved far better from him than they got.

Mr. Perot's withdrawal changes the basic equation for the November race between Bill Clinton and George Bush in the president's favor. During the first three days of convention week, Dan Balz of The Washington Post and I talked to leaders inside and outside the Clinton campaign, and there isn't a doubt in the world that they wanted Mr. Perot to stay in the race.

Just two hours before his withdrawal, we had early morning coffee with the Democratic chairman of eight key states. Except for California, which Mr. Perot might have blocked Mr. Clinton from winning, every one of these folks thought Mr. Clinton's chances were improved by "the Perot factor."

David Willens, Mr. Clinton's campaign manager, underlined the importance of the fact that Mr. Perot's presence broke "the electoral lock" Republicans have enjoyed with their solid support in the South, the Plains states and the Rocky Mountain West. A three-way race including Mr. Perot, he said, "creates much more of a challenge to Republicans than to us. It levels the playing field. It doesn't let them concentrate everything on Ohio, Illinois and California — the states we have to win."

With Mr. Perot gone, the battlefield for the 1992 campaign becomes smaller in other ways — and more hazardous for the Democrats. Many of the disillusioned voters attracted by Mr. Perot will likely tune out on politics again, denying Mr. Clinton the chance to persuade them that the surest way to make a change in Washington is to vote for him.

Without Mr. Perot, the Bush campaign can turn all its guns on Mr. Clinton. The firepower should not be underestimated. In the last week in June, the Perot campaign manager, Edward J. Rollins, predicted that within "two or three weeks" the media battle launched by Republicans against Mr. Perot would be so intense that "they can take us out," unless Perot found ways to fight back. Three weeks later the stumbling Mr. Perot was gone.

Mr. Bush still has basic problems to solve. He has yet to provide a convincing rationale for his re-election or persuade voters that he even has a plausible plan for dealing with America's problems. Without that, a negative assault on Mr. Clinton may not work. Having survived tough hazing in the primaries, Mr. Clinton will be no pushy.

My guess is that the Democratic euphoria, bred by inflated convention-week polls, will not last long. My contrarian impression is that convention week saw too many wasted opportunities for the Democrats.

Mr. Clinton's acceptance speech, like Michael Dukakis' four years ago, will, I suspect, be seen in time as a squandered chance to build a solid case for his election. To speak for almost an hour, as he did, and not mention the words "Supreme Court," was amazing, given the importance that core Democratic constituencies attach to future judicial appointments. To bury the essential economic message of jobs, education and health care under tons of woolly rhetoric about a "New Covenant" was to fail in a unique moment to reach out to the disenfranchised Reagan-Bush voters and the jilted Perot fans he needs.

The one thing Mr. Clinton did absolutely right was to pick Mr. Gore as his running mate. Without Mr. Perot, much of the South will be much harder to win, even for these two Southern-bred candidates. But the Democrats of California, Oregon, Washington, Illinois, Ohio and Pennsylvania really like Mr. Gore on the ticket — for his environmental credentials, his family-values conservatism, and the sense he conveys of both solidity and smarts. If the race is close, this could be the first time since Lyndon Johnson in 1960 that a vice presidential choice is important.

The Washington Post.

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EUROBONDS Ex-Communist Large Investors CURRENCY RATES Week's Market

مكتبة الأصيل

EUROBONDS

Ex-Communist Nations Urge Investors to Go East

By Mark Gilbert Bloomberg Business News

LONDON — For those tired of watching the Bundesbank's high interest rates...

As the former communist countries struggle to attract capital to help rebuild their economies...

Bankers say Hungary is the most developed market for foreign investors, closely followed by Poland and Czechoslovakia.

In Poland, come Aug. 1, foreign investors will get their first chance to buy debt in the country's domestic capital market.

The government plans to sell about 7 trillion zlotys (\$511 million) of three-year notes, the first Polish issue open to foreign buyers.

Traders in Warsaw said they expected the notes to yield as much as 42 percent, or a real yield of more than 30 percent based on Poland's 11.6 percent inflation rate in the first quarter.

"In terms of true economic potential, there is no question for me that Poland is presenting the most interesting environment for investors," said Christoph Bandyk, vice president for Poland and the Baltic republics at Swiss Bank Corp. in Zurich.

Moody's also rates the State Bank of Czechoslovakia's debt Baa1, though the pending split between the Czech and Slovak republics led it in early July to put the rating under review for possible downgrade.

Although foreign investors might have to enter Eastern Europe through the back door, using domestic banks to buy securities on their behalf, there are plenty of instruments to choose from.

The U.S. company's issue, 400 million forints (\$5.2 million) of bonds due in October 1995, was sold in October and pays one- to four-year interest rates ranging from 24.75 percent to 29 percent.

Hungary also regularly sells Treasury bills in the domestic market, and the National Bank of Hungary has about 40 outstanding international bond issues in various currencies.

In Czechoslovakia, the Trade Bank has two outstanding bonds, 350 million Deutsche marks (\$227 million) of 10 percent bonds due in August 1995, and 350 million DM of 10 percent bonds due in October 1995.

The State Bank of Czechoslovakia has a 10 billion yen (\$80 million) issue of 8.5 percent bonds due in November 1997, and \$200 million of 9 percent bonds due November 1994.

Poland sells treasury bills, yielding from 43 percent for eight-week paper to 52 percent for one-year bills, but in practice foreigners cannot yet buy these unlisted securities.

Among the attractions of several East European countries are closer ties to the West, especially after Hungary, Poland and Czechoslovakia signed an agreement in November promising stronger trading links with the European Community.

Yet investors face at least three lingering threats in Eastern Europe: politics, inflation and currency volatility. The political risk, for instance, was underscored Friday when President Vaclav Havel of Czechoslovakia said he was resigning.

Meanwhile, the high rate of inflation in Eastern Europe erodes the return investors get on bond investments. The forecast, though, is for inflation to moderate in coming months. The risk of falling currency values may also be declining, analysts said.

"There's a very good argument that all these East European currencies are way too cheap against core European currencies and the dollar," said Tim Bond, an analyst at Tokai International.

"The decision on whether or not to invest in Eastern Europe really rests on the judgment call on whether the high real interest rates will outpace the devaluation of the currencies," said David Flitterman, head of Bankers Trust's East European corporate finance division in London.

70 Firms Propose Uses for Subic Bay

Compiled by Our Staff From Dispatches

MANILA — At least 70 companies, including Universal Studios and Walt Disney Co., are interested in leasing and operating facilities at Subic Bay Naval Base after U.S. forces leave in this year, a Philippine official said Sunday.

Richard Gordon, chief of the Subic Base Metropolitan Authority, said the companies include two foreign consortiums from Taiwan and the United States that planned to lease the entire base. He said no proposals have been accepted so far.

The authority was formed to recommend an alternate use for the 98,000-acre (39,700-hectare) site. Mr. Gordon said Universal suggested a studio complex at Subic Bay, and Disney proposed building a Disneyland. Other companies were interested in building a casino, a plastics company and a shipyard.

The government planned to let investors bid on a contract to lease, develop and operate the installations in the base, which includes power plants, telecommunications systems and air depots.

But the government has yet to form the Bases Conversion Development Authority that will implement a congressionally approved program to transform the facility into an economic center.

Mr. Gordon said he wanted to borrow 600 million pesos (\$24 million) from a government bank and a state pension fund to finance purchase of some equipment in the base this year.

Unless the authority is able to quickly acquire the assets, "the Americans will either bid out the facilities to the private sector or bring them home," Mr. Gordon said.

U.S. forces are scheduled to complete their withdrawal from Subic Bay, once the headquarters of the U.S. Seventh Fleet, by the end of the year. The pullout followed rejection of a new basing lease by the Philippine Senate in September, which is ending nearly a century of U.S. presence in the Philippines. (AP, Reuters)

No End of Tunnel for U.K. Recession

Britain Feels the Japanese Blues

By Erik Ipsen International Herald Tribune

LONDON — Last week, amid the popping of champagne corks, Lady Thatcher cut the ribbon and officially opened the new new Sogo department store on London's Piccadilly Circus.

But, appearances to the contrary, the days when big Japanese companies routinely roll out the likes of former British prime ministers to inaugurate expensive investments are all but over, at least for the foreseeable future.

Former politicians remain in plentiful supply, Japanese investors, in Britain and everywhere else, do not. Their sudden scarcity is being felt around the globe.

"There will be a period of several years when Japanese foreign investment will be fairly meagerly," said Gerhard Holtham, chief economist for Lehman Brothers International in London.

Pushed by everything from a rapid run-up in the cost of capital in Japan to the precipitous drop in stock prices and stung by a plethora of wrong-headed investments made abroad in the late 1980s, Japanese companies have turned their attention and their funds home. From a peak of \$68 billion in direct Japanese foreign investments in 1989, the figure fell to \$42 billion last year and it is dropping steeply.

"This kind of substantial sharp fluctuation is of course not desirable among the recipient countries," said Teizo Taya, chief economist for the Daiwa Institute of Research in London. Nowhere is that more of an understatement than in Britain, which has long shared the lion's share of Japanese capital flows into the European Community and whose economy is especially depressed.

Figures published by the Department of Trade and Industry on Wednesday show how important the Japanese have become. The department estimates Japanese companies had in the year to March 31 alone created nearly 7,000 jobs in Britain while safeguarding another 4,000 more.

In Britain, the effects of Japan's cyclical downturn are compounded by several important structural shifts. Some specialists insist the changes will erode Britain's long-held lead over its European rivals in luring Japanese investment for years to come.

Britain was meant to be Japan's so-called aircraft carrier, providing a secure base for selling products across the Euro-

Spurt of Post-Ballot Growth Fizzles

Compiled by Our Staff From Dispatches

LONDON — Strong evidence that Britain remains mired in recession emerged Sunday as two leading surveys said that a post-election spurt in economic activity had fizzled out.

The latest survey of retail sales by the Confederation of British Industry showed that sales fell in June from their level a year earlier, while a report on business in London painted a bleak picture of weak demand and falling output.

The surveys are likely to intensify pressure on the ruling Conservative Party, which is struggling to convince skeptics the economy can recover even if interest rates are kept high by the country's commitment to the European Monetary System.

The confederation's influential survey showed Britain's retailers struggling to generate sales, despite generous, if not unprecedented, discounts.

"The small boost to high street sales in the two months following the general election now seems to have fizzled out," said Nigel Whitaker, chairman of a confederation panel.

The fall is only the second time in the past year that monthly sales have slid from year-earlier levels.

"With unemployment still rising and the housing market depressed, consumers remain cautious," Mr. Whitaker said. Retailers expect sales to remain "broadly unchanged in July on an annual basis, and still very poor for the time of year," but conditions will be determined in part by sales and promotions, he said.

The second survey, from the London Chamber of Commerce and Industry, was even gloomier, announcing that a "fall in output had dashed recovery hopes."

"Indications in the last quarter that the recession may be coming to an end appear to have been premature," said Malcolm Stephens, the chamber's chief executive.

Meanwhile, UBS Phillips & Drew, a leading brokerage house, issued a gloomy report warning that British insistence on maintaining the pound's existing parity within the EMS will mean more than three million unemployed by the end of next year.

The report predicted that the country's nonoil gross domestic product would fall 0.9 percent this year, compared with an earlier prediction of a 0.5 percent drop, if

See BRITAIN, Page 9

Weak Dollar a Symptom of U.S. Malaise, Not a Cure

Compiled by Our Staff From Dispatches

NEW YORK — As the Democrats recouped the list of economic woes for which they hope voters will hold President George Bush responsible, there was a curious omission. The steady slide in the value of the dollar went unmentioned.

Yet the dollar's fall is in some ways the signal indicator of the decline of the United States as an economic power over the last three decades. In contrast to such countries as France, where the value of the currency is deemed to be a measure of national accomplishment, the U.S. government has tended to see a sinking dollar as a painless way out of economic binds.

These days, the hope is that U.S. exports will become more competitive, and thus U.S. incomes (measured in dollars) greater. The fact that the same trend damages American consumers by raising the costs of imports is not mentioned. Nor is the fact that as Americans pay more for imports, there is less cash left over to buy other things.

"The economy has got into a stage where we are reliant on trade for overall economic growth," said C. Fred Bergsten, head of the Institute for International Economics and former assistant Treasury secretary. The Federal Reserve Board already has reduced rates, he said, adding: "There is no kick from monetary policy. The deficit is keeping long-term rates up."

"So, the usual tools for domestic demand are not available," he said. "That means we need to rely on trade. Since '86, trade performance has improved by \$100 billion. It cut the '91 recession in half and it has to continue at least in a transition period."

In fact, the trade deficit has proved surprisingly resistant to improvement. The May figure released last week was the worst since November 1990, with both exports and imports declining, notwithstanding the fact that recessions

normally depress imports and bolster exports.

"The thing that is noteworthy about America is that we are still running trade deficits with a miserable economy," said Michael J. Harkins, president of Levy, Harkins & Co., a New York money manager.

After another bad week, the dollar stands at or is nearing record lows against the other leading currencies, having fallen 14 percent on average in the past year. Most of that happened in the past 10 weeks, as declining U.S. interest rates have lessened the dollar's attractiveness.

The dollar's most recent weakness, especially against European currencies, can be traced to Germany's decision to raise interest rates at a time when the only thing the White House can think of to improve business is to lower rates.

But the dollar's decline is a longer-term phenomenon. When Ronald Reagan took office as president, the average American worker earned \$249 a week. Last month, the average was \$363, a 46 percent increase. But expressed in Deutsche marks it was up just 4 percent, and expressed in yen it was down 11 percent.

Long term, the implications of a

depreciating dollar are rising inflation and a poorer populace. Until now, markets have seemed remarkably unconcerned about such possibilities, but the surprising surge in gold last week could signal a change.

To a real dollar here, the eventual result will be a currency crisis, in which the government must push up interest rates to support the currency, and perhaps even slap on currency controls.

But that will not happen as long as the world is happy with the dollar's slow decline, and it seems to be. Bonds sold to foreigners are worth fewer marks or yen than when they were sold, but there is no wholesale liquidation. And few Americans are rushing to take advantage of high German interest rates.

All that could change, however, especially if investors decide that it is significant that the once-almighty dollar has few friends in Washington, a fact that will not change whether or not Bill Clinton, the Democratic candidate, wins.

In Tokyo, many analysts believe that a gradual, "orderly" drop in the dollar of 10 percent or more would benefit the United States, helping U.S. exports on world markets.

In Europe, there are fears that the economies there may take an even more severe downturn, which could put the United States in the worst of all worlds.

"We are on the verge of a huge recession in Europe," said Bassem Snaie, chief trader for Banca della Svizzera Italiana in Lugano, Switzerland. And when it hits, he said, the high interest rates in Europe that have been helping push the dollar down will turn around and the dollar will shoot back up.

That would leave the United States in the difficult position of having a currency that is less competitive, and customers who are unable to buy even if they want to. (NYT, WP)

Dollar Rises Against Yuan

The dollar has surged to a three-year high against the yuan in Shanghai trading, an official Chinese newspaper said, as enterprises rush to buy dollars to pay for an import-buying spree, Reuters reported from Beijing.

At the Shanghai Foreign Exchange Transaction Center, the yuan closed at 7.0590 to the dollar on Friday, the China Daily reported Saturday.

Singapore Notebook

Bonus Issue Looms For Singapore Air

The annual general meeting of Singapore Airlines is normally a sedate affair, with no serious challenges from shareholders to a management that has helped make the national carrier one of the most consistently profitable in the world.

However, the next meeting, on Saturday, promises to be more lively. Minority shareholders of Singapore Airlines, the largest company listed on the Stock Exchange of Singapore, are demanding a bonus issue of at least 1-for-1. Management opposes a share increase, but analysts say the rebels seem likely to win.

The minority shareholders say that while issuing additional shares may initially lower the price, if shares are made more plentiful and affordable to all Singaporean investors who are hungry for blue-chip stock, the price will soon increase.

Despite its consistency in paying solid dividends, the airline's stock value is lagging relative to the rest of the Singapore market. Of the nearly 64.3 million issued shares, 72.5 percent are held by Singapore institutions and individuals. By law, no more than 27.5 percent of the stock can be held by foreigners, who have to pay a hefty premium.

The foreign shares closed Friday at 17.50 Singapore dollars (\$10.94) and the locally held shares closed at 13 Singapore dollars. What is at stake is the decision of a number of large shareholders, including Temasek Holdings, a government investment agency that controls 54.02 percent of the airline's stock, to abstain from the vote on the bonus question.

Many of the other large shareholders are likely to vote for the bonus resolution or remain neutral, analysts say. They say Temasek has virtually decided the outcome by deciding to abstain.

Smb for Malaysia's Regional Plan?

Malaysia is expected to lobby strongly at a meeting of regional foreign ministers in Manila this week for an endorsement of its proposal to set up an East Asian Economic Caucus.

But despite the interest in global free-trade talks and concerns in Asia about diversion of investment and trade away from the region as stronger economic blocs are formed in Europe and North America, there is widespread wariness about backing the Malaysian plan.

Indonesia and several other members of the Association of Southeast Asian Nations, whose foreign ministers are to hold their annual meeting in Manila beginning Tuesday, are worried that the caucus plan would alienate the United States and spur the development of protectionist trade blocs in Europe, North America and Asia.

But Malaysia says the nations in the caucus would confine themselves to promoting global free trade and holding consultations on expanding regional economic cooperation.

Stepping Up the War Against Pirates

Indonesia and Singapore plan to launch coordinated naval and marine police patrols in August to deter pirate attacks against international shipping in the Straits of Malacca.

But shipowners and operators say that since most of the pirates are based in Indonesia, a more effective way of suppressing the problem is for the Indonesian authorities to arrest those involved in robbing ships and punish them severely.

The Indonesian navy says it has started to do this. And figures gathered by the regional office of the International Maritime Bureau in Kuala Lumpur show that there were 44 pirate attacks reported in the five months to the end of May, but only two in June and both were unsuccessful.

Nonetheless, Michael Farlie, director of the Hong Kong Shipowners' Association, said he would remain skeptical about Indonesia's statements until the pirates were identified, tried and convicted.

Broken Hill Leaves Burma

Broken Hill Pty, the international resource conglomerate based in Australia, has pulled out of the search for oil and gas in Burma. Although no public announcement of the move has been made, a BHP spokesman in Melbourne cited "technical reasons."

While BHP and other foreign companies from the United States, Britain, Japan, South Korea, Canada, Malaysia and Thailand have failed to find oil or gas in commercial quantities since the Burmese military regime started offering concessions in 1989, there may have been an additional inducement for the Australian firm to leave. Gareth Evans, the Australian foreign minister, has said that Canberra would soon decide whether to impose sanctions against Burma.

Michael Richardson

CURRENCY RATES

Table with columns for Currency, Unit, and Rate. Includes entries for Amsterdam, Australia, Frankfurt, London, Madrid, Milan, New York, Paris, Tokyo, Zurich, and Swiss franc.

Other Dollar Values: Currency, Unit, and Rate. Includes entries for Australia, Brazil, Canada, France, Germany, Hong Kong, India, Italy, Japan, Korea, Mexico, Netherlands, New Zealand, Norway, Singapore, South Africa, Sweden, Switzerland, Taiwan, Thailand, United Kingdom, and West Germany.

Forward Rates: Currency, Unit, and Rate. Includes entries for Pound Sterling, Deutsche mark, and Swiss franc.

Source: NAB Bank (Amsterdam); Reuters; Bank of America; Bank of Canada; Bank of France; Bank of Italy; Bank of Japan; Bank of London; Bank of Mexico; Bank of New Zealand; Bank of Norway; Bank of Singapore; Bank of South Africa; Bank of Sweden; Bank of Switzerland; Bank of Taiwan; Bank of Thailand; Bank of United Kingdom; Bank of West Germany.

Last Week's Markets

All figures are as of close of trading Friday

Table with columns for Stock Indexes and Money Rates. Includes entries for DJ Indx, DJ US1, DJ Trans, S & P 100, S & P 500, S & P Ind, NYSE Comp, and various money rates.

World Index: Front Market Capital Int'l.

Advertisement for The Washington Post. Includes headline 'Now Available By Airmail', images of newspaper covers, and a 'Subscription Order Form' with fields for name, address, city, state, zip code, and payment method.

WEEKLY INTERNATIONAL BOND PRICES

Provided by Credit Suisse First Boston Limited, London, Tel: 322 40 00. Prices may vary according to market conditions and other factors. July 17

Dollar Straights

Governments/Supranationals

Africa

Table listing bond prices for African countries including Algeria, Angola, and Botswana.

Asia

Table listing bond prices for Asian countries including Australia, Hong Kong, and India.

Europe

Table listing bond prices for European countries including Belgium, France, and Germany.

Latin America

Table listing bond prices for Latin American countries including Argentina, Brazil, and Chile.

Middle East

Table listing bond prices for Middle Eastern countries including Israel and Jordan.

Oceania

Table listing bond prices for Oceania countries including New Zealand and South Africa.

Global Corporates

Table listing bond prices for global corporations including Amgen, Amstar, and Amstar.

Banks & Finance

Table listing bond prices for banks and financial institutions including Citicorp and Citicorp.

High Yielding Debt

Table listing bond prices for high yielding debt including Amstar and Amstar.

Issuer Con Mat Price Yld Spd

Table listing bond prices for various issuers including Amstar and Amstar.

Issuer Con Mat Price Yld Spd

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NEW YORK (AP) -

Table listing stock prices for various companies including Amstar and Amstar.

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(Continued on next page)

Advertisement for WEST: Japanese and other international services.

New International Bond Issues

Table with columns: Issuer, Amount (millions), Mat., Coup. %, Price, Price and week, Terms. Includes Floating Rate Notes, Fixed-Coupons, and Equity-Linked.

Clinton's Gain Is Market's Loss

Long-Term Yields Are Rising on Worry About the Deficit. Compiled by Our Staff From Dispatches. NEW YORK — Bill Clinton may be the most popular candidate for U.S. president, but his recent rise in the polls is causing long-term interest rates to rise in the bond market, which fears the inflationary aspects of a government under Democratic Party control.

Although short-term rates fell last week, the bellwether 30-year Treasury bond ended trading with a yield of 7.68 percent, up from 7.43 percent a week before, reflecting a fall in price of 18 3/4 to 103 23/32. Meanwhile, the yield on two-year notes fell to 4.25 percent from 4.34 percent.

The difference between the two yields, a record 3.43 percentage points, is an indication that investors fear inflation and thus require a relatively high return before committing their money to long-term securities. The discrepancy between the yields has grown in each of the last eight weeks. During Friday's trading, it was as wide as 3.48 percentage points.

This curve's nothing that tells me there is not going to get steep... said Stephen D. Sifer, economist at Lehman Government Securities. Mr. Sifer added that he saw no reason why the difference could not widen from the current 343 to 400 basis points. "It's relentless," he added.

INTERNATIONAL BusinessWeek

This week's topics: Rising Star: Canada's Northern Telecom, Italy's "Dr. Subtle" Cuts Deep, Dream Team? IBM, Siemens, Toshiba, A Top Brain Research Company, Journey Home To A Russian Factory. Now available at your newsstand!

PARINTER FUND AVIS AUX PARTICIPANTS (AVIS RECTIFICATIF). En conformité avec les dispositions de la Loi et du Règlement de Gestion du Fonds Commun de Placement "Parinter Fund", les administrateurs de Parinter Fund ont décidé de procéder à la liquidation du Fonds.

Euromarkets At a Glance

Table with columns: Eurobond Yields, Weekly Sales, Libor Rates. Includes data for U.S. & 3 yrs & over, U.S. & 10 yrs & over, etc.

INVEST: Japanese Burned and Shy After U.K. Spree

(Continued from first finance page) The Japanese are not here because they like to speak English and play golf, said Mark Cliffe, chief economist for Nomura Research Institute in London. Nowhere has the experience been worse than in the real estate market which actually soaked up the largest amount of Japanese funds at the peak of their investment boom.

BRITAIN: Surveys Show Recession Likely to Drag On

(Continued from first finance page) David Kern, chief economist of National Westminster Bank, said the government should adopt a three-point plan, including putting the pound in the narrow 2.25 percent band of the EMS exchange-rate mechanism, to help lift the British economy. Currently, the pound can fluctuate by 6 percent from its central rates against other ERM currencies.

HUNGARY TELECOMMUNICATIONS BUILDING CONSTRUCTION PROJECT

Invitation to Bid. The Hungarian Telecommunications Co. Ltd. (hereinafter referred to as HTC) has received a loan from the European Bank for Reconstruction and Development (EBRD) towards the costs of constructing a new telephone exchange building complex in District VII. of Budapest. The gross floor area of the completed building will be 10,813 square meters, comprising two basement floors and five upper floors and it is anticipated that the contract period will be for 18 months commencing in December 1992.

MUTUAL FUNDS

Table with columns: Bid, Ask, Bid, Ask, Bid, Ask, Bid, Ask. Lists various mutual funds and their prices.

Mutual Funds continued. Lists various mutual funds and their prices, including American Mutual Funds, British Mutual Funds, and others.

ing India. Hindu... red With Temple... ESCORTS & GUIDES... ORIGINAL RECORD... HUNGARY... LONDON... ITALY... BARCELONA... VIENNA... RAVENNA...

MONDAY SPORTS

مكتبة من الصحف

Faldo Battles Cook to the Finish to Win His 3d U.K. Championship

Briton Walks a Tough Gantlet

By Ian Thomson

GULLANE, Scotland — They were waiting in line for Nick Faldo as he left the 13th hole on Sunday. He had no choice but to walk down that aisle in order to keep going. Toward the tee he clomped past these faces of bemusement, eyes smiling up at him, their laughter only contained in frowns.

He had just missed a three-foot (91-centimeter) putt for par. It was his third lost shot of the final round, his second bogey from the green and they were waiting for him, to serve not so much as witnesses but rather as leering messengers. He was on his way down and they were there to let him know.

From the next tee he slammed his drive into a fairway bunker. "To think I was doing things so well," Faldo said two hours later, a middle finger rubbing the edge of a reddened eye. "I'd been playing so well for a month, all the work I'd done this week — to think that right there I could still have lost it. It's just terrible."

The 121st British Open had been awarded several times to Faldo. Before the opening round he had pronounced his swing to be in excellent shape, as objective as the doctor is about his patient. He did not seem fazed by the pressure stepping around his attempt to end a two-year drought of major championship victories. Indeed, he had won but three minor tournaments in that time. He had wasted an 8-shot lead last month, winning the Irish Open only after a club dangling from his grip, as if he could not believe what he was seeing.

His ball was tricking into a bunker. Finally he walked off the tee while directly in front of him two cameramen backed away, keeping their cameras aimed at him like guns.

"Oh, for some reason I make it hard work," he said at the end of the day, squeezing the end of his nose, his face still red. "I wish I could just walk around and say, 'Here's a 20-footer, I'll knock it in.' But it doesn't work that way. I always end up completely frazzled."

If that's so, then for all these years he had kept it his secret. But then there came his opening drive on Sunday. Faldo remained in his sideways pose, the club dangling from his grip, as if he could not believe what he was seeing. His ball was tricking into a bunker. Finally he walked off the tee while directly in front of him two cameramen backed away, keeping their cameras aimed at him like guns.

He was going to bogey that hole. He was going to miss birdie after birdie until he would hit a 5-iron to 8 feet at No. 10. "I said, 'Just let me make that one, give me a 4-stroke lead,'" he said. He missed it.

Suddenly he was bogeying No. 12. At No. 13 he missed from three feet for par, kneeling to pick up the ball with two fingers, holding it before his eyes like the fragment of a favorite, broken vase. His stoicism, his infallibility, was crumbling in full public view. From the fairway bunker at No. 14 he could only play an iron short of the green. He was now 4-over for the day, 3-over in his last four holes. In a moment he was going to look up and find himself in second place bogeying John Cook at 11-under, who was playing 10 minutes ahead of Faldo. With four holes left he was on his way to a final-round 75 or worse.

What was becoming of him? "I said to myself," he recalled, his voice trembling, his eyes brimming. "You'd better just play the best four holes of your life, somehow."

He arrived at the tee box to a crowd not so much cheering for him as yelling at him. They were shouting his name the way high school coaches do, trying to rouse the slumber out of him.

His drive at 15 hugged the left side of the fairway, near trouble. Faldo walked to the center of the fairway and back, over and back, tossing grass into the air, fidgeting. Finally he thumped a 5-iron onto the green. Up ahead the gallery's roar grew louder and louder. Faldo would describe that 5-iron as one of his two favorite shots of the day. He found his ball four feet from the hole. He made the birdie. He was 11-under.

At 16, a par-3, he hit his ball through the green. He arrived to find out that Cook had birdied this hole. Cook was now the leader by 1. Faldo could only chip up short. "I was hoping I'd would come to the rescue," he said, shaking his head. Standing over his ball on the par-5 17th tee, in the moment he was pulling his driver back, a roar rose up in the distance. Was Cook going to birdie again? Faldo bared his drive hard and low into the noise.

They were shouting at him from both sides of the fairway, the way they do at race horses. From the fairway he hammered a 4-iron. It disappeared far away in between the two protective mounds gating the green. He walked toward another roar, into the courtyard of hosts screaming at him.

Faldo was about to confront his eagle putt of 20 feet when he heard the mumbled and rustling of a distant gallery. "After I heard the moans, I knew what had been done," Faldo said. Cook, who had three-putted No. 17 for par, was now bogeying 18. "I said, 'Just hole this and it's all over.'"



John Cook, despite a bit of rough, had easy going until he three-putted the 17th hole and bogeyed the 18th.



Spectators hid behind umbrellas as rain driven by winds from the North Sea lashed the Muirfield course early in the final round of the British Open.

under the shower of the gallery's loudest ovation of the tournament, Faldo's caddy, Fanny Sunesson, kept looking up at him strangely. He did not hit his putt solidly from the second cut of the rough. But it rode downhill to within a foot.

He waited for Steve Pate, his playing partner, to finish. Faldo stood over his final shot. Nothing could be heard. He knocked it in. His head stayed down.

The tournament was his. He was the champion again. As quickly as a golf ball falls into the bottom of a cup, the tears poured from Nick Faldo. He looked up from the hole sobbing. "If it had all ended up wrong," Faldo began. "If I had lost, I don't know what I would have become."

SIDELINES

Horse Virus Has Stabilized, Vets Say

NEW YORK (NYT) — The horse virus that spread through racing barns in New England last week and led to quarantines in 12 states seems to have stabilized, the chief veterinarian for New Hampshire has reported. No new cases were reported at the Rockingham Park track in Salem, New Hampshire, and 10 of the 38 horses that had the virus have gone back into training. Racing at Foxboro Park in Massachusetts was suspended, and horses returning from New England were ordered into quarantine in New York, New Jersey, Pennsylvania, Maryland, Delaware and Kentucky.

Mitoizumi Triumphs for Sumo Cup

NAGOYA, Japan (UPI) — Mitoizumi closed out the best tournament of his sumo career on Sunday by winning his final bout against Kotomowaka a day after clinching the championship at the 15-day Nagoya Grand Sumo Tournament. Mitoizumi accepted the Emperor's Cup in the closing-day ceremonies after finishing the event with a 13-2 record. The 6-foot-4-inch (194-centimeter) Mitoizumi wrapped up the Nagoya journey on Saturday after all three wrestlers challenging his leadership from one victory back were knocked out of contention.

Unhappy Grant Stays With Bullets

LANDOVER, Maryland (AP) — The Washington Bullets have matched the \$17 million, six-year offer given to Harvey Grant, the high-scoring small forward, by the New York Knicks on July 1. Grant will remain with the Bullets, weathered but not happier. "The money's good, don't get me wrong," Grant said. "But this goes beyond money. They insulted me, they insulted my integrity, me as a person, my character."

For the Record

Riddick Bowe earned a shot at the heavyweight champion, Evander Holyfield, by battering Pierre Coetzee of South Africa in the seventh round of a match Saturday in Las Vegas. Pernell Whitaker won a 12-round unanimous decision Saturday in Las Vegas over Rafael Pineda of Colombia to take away Pineda's International Boxing Federation junior welterweight championship.

Pate's Ball on the 5th Hole: Did It Move?

GULLANE, Scotland — Steve Pate was involved in a controversy when his second shot Saturday on the 559-yard fifth hole landed on a sloped bunker, near a bunker guarding the right side of the green. The question was: Had his ball rolled before he chipped it to the green, setting up a 30-foot putt that he sank for a birdie. Had the ball moved, a one-stroke penalty would have dropped him out of a tie for second and left him five strokes behind Nick Faldo going into Sunday's final round. A videotape of the incident was inconclusive, though, and Pate's score was allowed to stand. The drama occurred at the par-5 fifth hole, with Pate three strokes behind Faldo but going for a third straight birdie. The 31-year-old American had hit his second shot onto the top slope of a bunker, and the ball teetered as he approached it, wedge in hand. Then, as he was about to chip, Pate said, "I was looking up and looking down and my ball appeared to be in a different spot. I didn't see it move. I asked an official and he asked one of the fans."

The British Open's Final-Round Scores

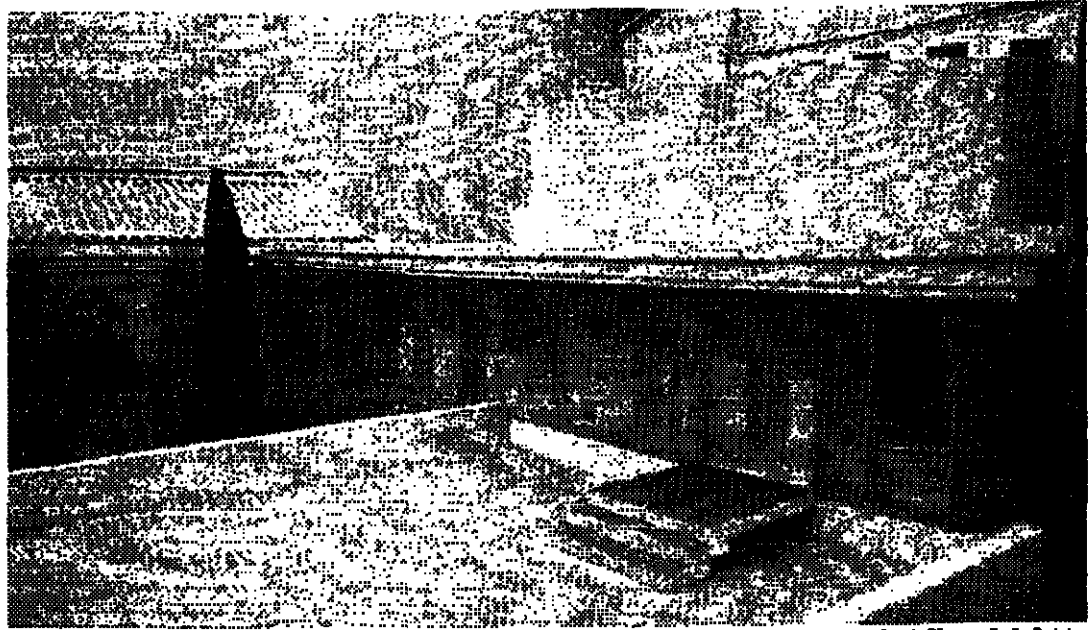
Table listing final-round scores for the British Open, including names like Faldo, Cook, Pate, and other players with their scores and positions.

Advertisement for Seiko Barcelona '92 Official Timer. Features the Olympic rings logo and the text: 'THE ONE PERFORMER EVERYONE'S COUNTING ON AT THIS YEAR'S GAMES. Seiko brings all the excitement of the Olympic Games to the world through the Total Sports Operating System.'

Large advertisement for AT&T USADirect service. Features the headline 'OUT OF THE LOOP?' and the text: 'AT&T USADirect Service can get you back to the office from over 100 countries. Just dial the access number of the country you're in. You'll be connected to AT&T in the U.S. and we'll complete your call list.'

The Artistic Marketing of a French Town

CERET, France — From a footnote in art history, this small southwestern town, 995 kilometers from Paris and 160 kilometers from Barcelona, hopes as of this week to move into the cultural mainstream and become a major stop for art-loving tourists speeding from Berlin to Malaga by automobile. Not bad for a place that so far doesn't even have a traffic light.



Officials in Ceret hope that their new museum will put the city on the tourist map.

MARY BLUME and only got its first professional director, Josephine Matamoros, in 1986. With her guidance, the energetic aid of Mayor Henri Sire, the rather logy support of the town's 120 merchants and 20 million francs in state and regional subsidies, the museum has been sensitively redesigned by the Barcelona architect Jaume Freixa with Philippe Pous, a French Catalan architect from Perpignan.

The great painters who lived in Ceret left none of their works of the period and even if they came on the market now the museum, with an annual acquisition budget of 1 million francs, could not afford to buy them. Matisse did give 14 drawings prefiguring the Collioure period, Braque gave a rather dull late lithograph, and in the 1950s when Picasso came back to gaze across the border to Spain, he contributed 28 bowls he had recently made on the subject of the corrida.

Administratively, Ceret is in the Pyrenees Orientales department. The region is the Roussillon. But as far as the natives are concerned, they are Catalan in language and attitude even if they have belonged to France since 1659. "We are in Catalonia despite our 300 years in France," Mayor Sire says. He is also a deputy in the French parliament but considers Ceret as part of what he calls the *espace Catalan*.

LANGUAGE Damn If You Do, Damned If You Don't

By William Safire WASHINGTON — "Your column is a pack of damn lies," writes a concerned reader, referring to work I do in a political mode. That comment troubled me; should it be *damn lies* or *damned lies*? If meaning is to determine spelling, the *-ed* is necessary; *damned* is the past participle of the verb *to damn*, and is used by my irate reader as an adverbial adjective — that is, it is a modifier stuck on before its noun. That is why Benjamin Disraeli quoted Mark Twain as saying, "There are three kinds of lies: lies, *damned* lies and statistics."

ed in the first stands for the sound of t, it is lost before another t sound, just as for goodness sake is usually pronounced like for goodness sake, with the final t sound of goodness lost before the initial one of sake. *iced tea* and *normal tea* would usually be pronounced alike in speech of some tempo, thus inverting the simpler spelling. Does this change mean we must adopt pronunciation as our standard in spelling, and reject meaning? No. We do not write for *Christ's sake*, even when we write pronunciation of *for Christ's sake*, even when we write for *Christlike*, we retain enough of the original meaning to remind readers that Jesus is being invoked.

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